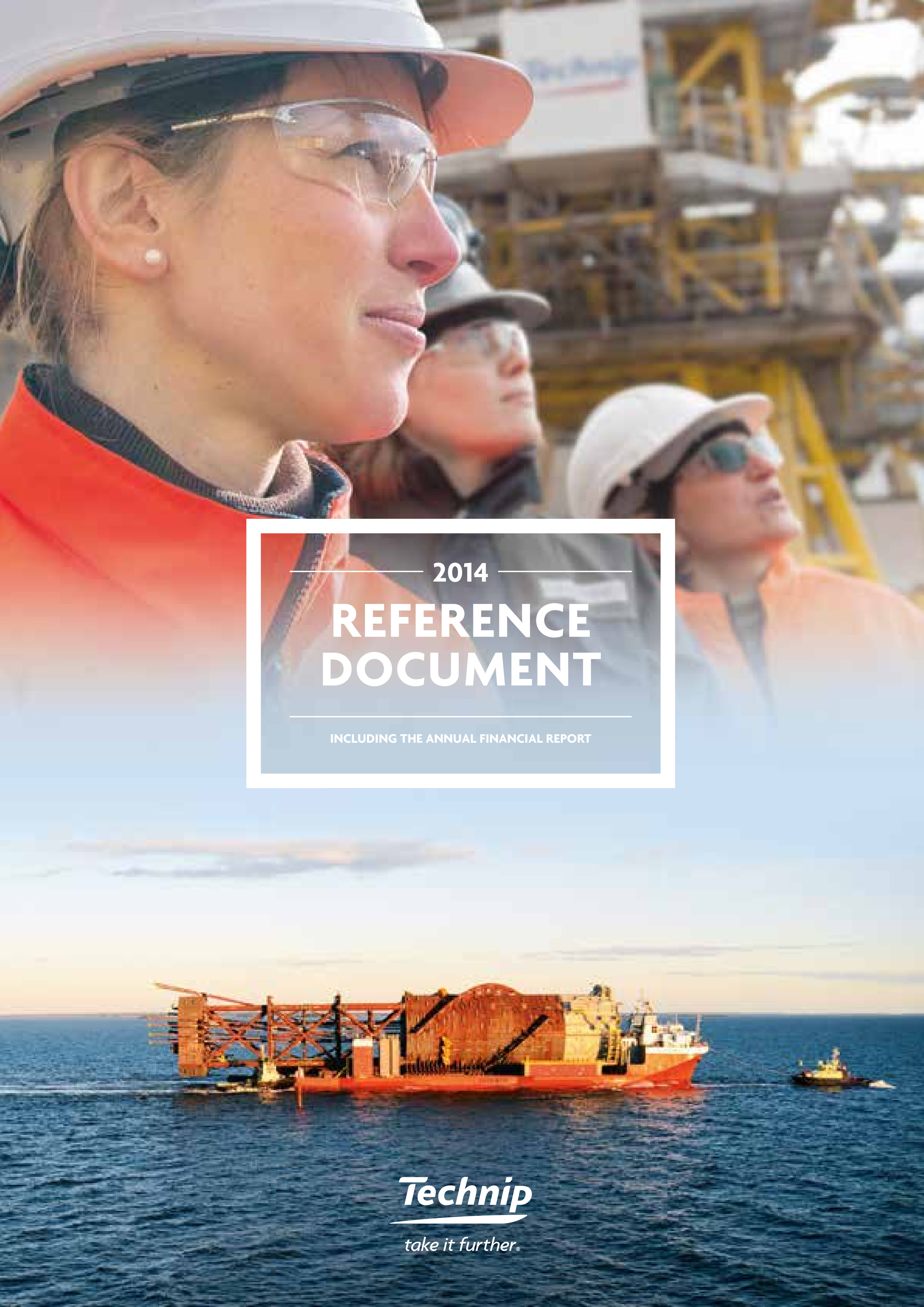


2014

REFERENCE DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT

Technip

take it further.

Reference Document 2014

Including the Annual Financial Report

(Unofficial English language translation)

AUTORITÉ DES MARCHÉS FINANCIERS

AMF

The original French version of this Reference Document was filed with the French Financial Market Authority (AMF) on March 11, 2015 in accordance with Article 212-13 of the General Regulations of the AMF. 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).

Contents

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 2013 consolidated financial statements and statutory financial statements, as well as the Statutory Auditors' reports for the financial year ended December 31, 2013, included in Sections 20.1 and 20.2 of the 2013 Reference Document, dated March 19, 2014 and filed with the French Financial Market Authority (AMF) under No. D.14-0169;
- 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, 2013, included in Section 3, as well as the sections mentioned in the Reconciliation Tables in Annex H of the 2013 Reference Document, dated March 19, 2014, and filed with the AMF under No. D.14-0169;
- 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 and filed with the AMF under No. D.13-0193; 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, 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 and filed with the AMF under No. D.13-0193.

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

1 Person Responsible for the Reference Document

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 the Person Responsible for the Reference Document

To the best of my knowledge, and after taking every reasonable measure for such purpose, I hereby declare that the information contained in this Reference Document is in accordance with the facts and that no information has been omitted that would be likely to affect its import.

I further declare that, to my knowledge, the financial statements have been prepared in compliance with applicable accounting standards and are a true representation of the assets, liabilities, financial position and profit of the Company and all consolidated entities and that the Management Report, as referred to in Annex H (Table of Reconciliation) of this Reference Document, is a true representation of any changes in the business, profit and the financial position of the Company and all consolidated entities as well as the main risks and uncertainties they face.

I 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 position 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, 2014 contains one observation related to the first application of IFRS 10 IFRS "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosure in Interests in Other Entities" included in Section 20.1. The Statutory Auditors' report on the consolidated financial statements for the year ended December 31, 2013, presented in the Reference Document filed with the AMF under the n° D14-0169 on March 19, 2014 contains one observation related to the first application of IAS 19 (amended) "Employee Benefits".

Thierry Pilenko
Chairman and Chief Executive Officer

2 Statutory Auditors

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 AND ÉDOUARD DEMARCQ

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 33 to the consolidated financial statements as of December 31, 2014, set forth in Section 20.1 of this Reference Document.

3 Selected Adjusted Financial Information

3.1 General Presentation of the Group

Technip, a world leader in project management, engineering and construction for the energy sector, offers a comprehensive portfolio of innovative solutions and technologies. In 2014, Technip had adjusted revenues of €10.7 billion.

As of January 31, 2015, Technip employs a workforce of approximately 38,000 people, from 118 nationalities. The Group operates on five continents, in 48 countries.

As of January 31, 2015, its production facilities (for flexible pipes and umbilicals), manufacturing yard, logistics bases and spoolbases are located in Angola, Brazil, United States, Finland, France, Indonesia, Malaysia, Norway and the United Kingdom. The Group's fleet includes 27 vessels (six of which are under construction) which are specialized in subsea rigid and flexible pipelines, subsea construction and diving support.

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 global oil and gas industry:

SUBSEA

In 2014, the Subsea segment had adjusted revenues of €4,880 million, representing 45.5% of adjusted 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 in this market due to its investments in Research and Development.

Technip offers a wide range of innovative subsea pipe technologies and solutions, and relies on leading industrial plants and operational facilities. Technip has four flexible pipe manufacturing plants, four umbilical production units, five reeled rigid pipe spoolbases as well as a constantly evolving fleet of vessels specialized for pipeline installation and subsea construction, which is strategically deployed around the world, across the major markets.

ONSHORE/OFFSHORE

In 2014, the Onshore/Offshore segment had adjusted revenues of €5,844 million, representing 54.5% of adjusted revenues.

The Onshore business combines the studies, engineering procurement, construction and project management of the entire range of onshore facilities used by the oil and gas industry (refining, gas treatment and liquefaction, petrochemicals including ethylene, polymers and fertilizers, hydrogen and onshore pipelines), as well as various other activities such as mines and metals, the industrial sector, biofuels and renewable energies.

Technip is active in increasingly ambitious, large-scale, complex and challenging projects involving extreme climatic conditions, non-conventional resources and subject to increasingly higher environmental and regulatory performance standards.

Technip relies on a unique technological know-how for process design and engineering, either through the integration of technologies from leading alliance partners or by relying upon Technip's own technologies.

Technip is strongly committed to integrating and developing advanced technologies and reinforcing its project execution capabilities in each of its Onshore activities.

The Offshore business includes leading engineering, development and construction operations in terms of fixed and floating offshore oil and gas facilities, including many world firsts (FLNGs being the most recent facility). In order to support its clients' activities, Technip is strongly dedicated to innovation and is active across the Offshore Engineering Value Chain, from preliminary studies (conceptual & preFEED) to detail design, but also provides services for Brownfield projects, aimed at enhancing and improving producing facilities.

As of December 31, 2014, the Group's list of clients includes international oil companies, such as BP, Chevron, ConocoPhillips, ExxonMobil, Shell and Total and 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. Technip's five main clients represented 33.7% of adjusted revenues in 2014 compared to 32.6% in 2013. The revenues generated from Technip's top 10 clients represented 49.6% of adjusted revenues in 2014 compared to 46.6% in 2013.

In 2014, the top five projects represented 19.2% of adjusted revenues compared to 19.0% in 2013. In 2014, the top 10 projects generated 29.2% of adjusted revenues compared to 28% in 2013.

3.2 Selected Adjusted Financial Information

The table below shows selected adjusted financial data for the Group for the two years ended December 31, 2014 and 2013.

The Consolidated Financial Statements, prepared in accordance with International Financial Accounting Standards (IFRS), and the reconciliation to the adjusted basis are included in Section 20.1 Note 3 (c) of this Reference Document.

EXTRACT OF THE ADJUSTED STATEMENT OF INCOME FOR 2014 AND 2013

	12 months	
In millions of Euro	**2014 adjusted**	2013 adjusted
Revenues	10,724.5	9,285.1
Operating Income/(Loss) from Recurring Activities	806.4	834.9
Operating Income/(Loss) from Recurring Activities after Income/(Loss) of Equity Affiliates	824.6	834.5
Operating Income/(Loss)	751.0	834.5
NET INCOME/(LOSS) FOR THE YEAR	**442.4**	**570.0**
Attributable to:		
Shareholders of the Parent Company	436.6	563.1
Non-Controlling Interests	5.8	6.9

OTHER FINANCIAL INFORMATION DERIVED FROM THE ADJUSTED STATEMENT OF INCOME FOR 2014 AND 2013

	12 months	
In millions of Euro	**2014 adjusted**	2013 adjusted
Revenues	10,724.5	9,285.1
Gross Margin	1,514.2	1,605.1
(in % of Revenues)	*14.1%*	*17.3%*
Operating Income/(Loss) from Recurring Activities	806.4	834.9
(in % of Revenues)	*7.5%*	*9.0%*
Operating Income/(Loss) from Recurring Activities after Income/(Loss) of Equity Affiliates	824.6	834.5
(in % of Revenues)	*7.7%*	*9.0%*
Operating Income/(Loss)	751.0	834.5
(in % of Revenues)	*7.0%*	*9.0%*
NET INCOME/(LOSS) FOR THE YEAR	**442.4**	**570.0**
Amortization and Depreciation for the Year	(283.3)	(217.8)
Earnings per Share (in Euro)	3.89	5.06
Diluted Earnings per Share (in Euro)	3.65	4.68

EXTRACT OF THE ADJUSTED STATEMENT OF CASH FLOWS FOR 2014 AND 2013

	12 months	
In millions of Euro	2014 adjusted	2013 adjusted
Cash and Cash equivalent including bank overdrafts as of January 1,	3,203.0	2,239.1
Net Cash Generated from Operating Activities	867.5	1,305.6
Net Cash Used in Investing Activities	(385.1)	(504.1)
Net Cash Used in/Generated from Financing Activities	(159.4)	300.7
Net Effects of Foreign Exchange Rate Changes	211.4	(138.3)
CASH AND CASH EQUIVALENT INCLUDING BANK OVERDRAFTS AS OF DECEMBER 31,	**3,737.4**	**3,203.0**

INFORMATION BY BUSINESS SEGMENT ADJUSTED FOR 2014 AND 2013

Subsea	12 months	
In millions of Euro	2014 adjusted	2013 adjusted
Revenues	4,880.4	4,065.0
Gross Margin	898.6	901.3
OPERATING INCOME/(LOSS) FROM RECURRING ACTIVITIES AFTER INCOME/(LOSS) OF EQUITY AFFILIATES	**635.1**	**575.0**
(in % of Revenues)	*13.0%*	*14.1%*
EBITDA (*)	882.4	755.1
(in % of Revenues)	*18.1%*	*18.6%*
Other information:		
Backlog	9,727.8	7,542.7
Order Intake	6,837.3	5,975.7

(*) Operating income from recurring activities after Income/(Loss) of Equity Affiliates before depreciation and amortization.

Onshore/Offshore	12 months	
In millions of Euro	2014 adjusted	2013 adjusted
Revenues	5,844.1	5,220.1
Gross Margin	615.6	703.8
OPERATING INCOME/(LOSS) FROM RECURRING ACTIVITIES AFTER INCOME/(LOSS) OF EQUITY AFFILIATES	**276.2**	**351.4**
(in % of Revenues)	*4.7%*	*6.7%*
EBITDA (*)	312.2	389.1
(in % of Revenues)	*5.3%*	*7.5%*
Other information:		
Backlog	11,208.4	7,932.7
Order Intake	8,458.5	5,148.2

(*) Operating income from recurring activities after Income/(Loss) of Equity Affiliates before depreciation and amortization.

Corporate	12 months	
In millions of Euro	2014 adjusted	2013 adjusted
Revenues	-	-
Gross Margin	-	-
OPERATING INCOME/(LOSS) FROM RECURRING ACTIVITIES AFTER INCOME/(LOSS) OF EQUITY AFFILIATES	**(86.7)**	**(91.9)**
(in % of Revenues)	*N/A*	*N/A*

EXTRACT OF THE ADJUSTED STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2014 AND 2013

	December 31	
In millions of Euro	2014 adjusted	2013 adjusted
Non-Current Assets	6,805.2	6,237.0
including Intangible Assets	3,496.5	3,332.6
Current Assets	7,791.6	6,782.5
including Cash and Cash Equivalents	3,738.3	3,205.4
TOTAL ASSETS	**14,600.0**	**13,023.5**
Equity attributable to Shareholders of the Parent Company	4,363.4	4,156.8
Non-Controlling Interests	11.8	17.3
Current Liabilities	7,386.2	6,125.9
Non-Current Liabilities	2,838.6	2,723.5
TOTAL EQUITY AND LIABILITIES	**14,600.0**	**13,023.5**
Other information:		
Capital Expenditures for the Year	375.6	575.2
Net Cash Position (*)	1,125.3	831.6

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

4 Risk Factors

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 its 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 under 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 in line with 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 in executing 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 conditions of such permits;
- issues regarding design and engineering; and
- shipyard delays and performance issues.

Failure to complete construction in 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 into 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 potentially generate significant extra costs.

Technip could be required to compensate customers for such delays. Even where these extra costs were to be 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 objectives.

EQUIPMENT OR MECHANICAL FAILURE COULD IMPACT PROJECT COSTS AND REDUCE 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. These could 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 Project costs, and lead to penalties for failure to comply with a Project's contractual conditions. Any such event could materially affect the Project's finances and Technip's operational results.

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 2014, 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 were prominent, 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's financial results, while limiting growth prospects.

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 the security measures that are already in place.

Technip may, when necessary, contract with insurance companies and export-credit agencies to obtain insurance policies and 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. Should these risks arise, they could result in death and injuries, entail the permanent or temporary disruption of Technip's operations, cause damages 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 be liable pursuant to environmental and employment laws 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 hereinabove 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, which 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 compel 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 the schedule of the submission, of an offer 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 the realization of a Project or may negatively impact the Group's image and the time required to complete operations within Projects.

RISKS RELATED TO EXTERNAL FRAUD

Like other companies, Technip may be a target for external fraud attempts and represents a potential target for fraudsters. Indeed, the Group has a global presence in several countries with varied legal and fiscal environments and with diverse financial and banking systems.

If an external fraud succeeds it may have a financial impact as well as an impact on the reputation of the Group and its interests.

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, which they may claim that they hold.

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

However, Technip does not believe that its business or results are 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.

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

In % of Group revenues	2014	2013 restated (*)
Revenues from the top client	9.8%	12.5%
Revenues from the top five clients	35.8%	29.5%
Revenues from the top 10 clients	46.3%	44.1%

(*) The restatement of the 2013 consolidated financial statements is described in Note 1 to the Consolidated Statements for the financial year ended December 31, 2014.

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 THE IMPACT OF WHICH MAY BE LESS FAVORABLE THAN ANTICIPATED ON ITS ACTIVITIES AND RESULTS, 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 regarding 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 those initially expected by the Group. Consequently, the expected benefits from future acquisitions or acquisitions already carried out may not be realized within the set timeframe 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. In 2014 Technip put to the test its capacity to staff all the resources required after being awarded several major Projects. Since this was achieved successfully and with a stable workload in several areas, this risk is expected to be lower (but still present) in 2015. In particular, attrition tends to raise again and 3,000 retirements are expected in the next five years.

Succession planning still needs to be reinforced for key and critical management positions: Country Managers, Business Development Managers, Project Directors and Managers in particular. The "experts" population, affected by a wave of retirements, also needs to be renewed. Links are maintained with some of the retired experts through contracting.

A new challenge is to ensure the best possible match between resources, needs and availability, with varying market trends depending on the business segment and the location: strong recruitment plans as well as targeted restricting will both be required.

The success of Technip's operations substantially depends on its employees having required the technical training and experience necessary to ensure the successful operation of Projects. As a result, the continuous availability of such personnel is vital. Should Technip suffer any material loss of personnel with the required 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 may be adversely affected.

TECHNOLOGICAL PROGRESS MAY RENDER THE TECHNOLOGIES USED BY TECHNIP OBSOLETE

The oil industry is pursuing oil and gas reserves in increasingly difficult conditions, such as 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 to continually push the boundaries of production-exploration. Technip's success relies on continuous and regular R&D to develop new products and new installation methods that will provide solutions at a cost acceptable to the market (please see Section 11 and Note 4 (c) of Section 20.1 of this Reference Document for details regarding the R&D policy and expenses).

In an increasingly competitive market, technology differentiation remains key to maintain Technip's position. Clients are expecting a proper focus on quality, reliability and cost effectiveness when it comes to developing new products and services. Failure to sustain continuous and regular research and development could result in a decline in Technip's market share, which could have a significantly negative impact on its operations and financial results.

INCREASING PRICE PRESSURE DUE TO COMPETITORS COULD REDUCE THE VOLUME OF CONTRACTS MEETING TECHNIP'S MARGIN CRITERIA

Technip obtains most of its contracts by participating in competitive bidding processes, as is customary in this industry. 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 all considered in client decisions, price remains the decisive factors for most clients. Historically, this industry has always been subject to an intense price competition. Such competition has intensified over the past decade, particularly due to new emerging players, and could have a negative impact upon the Group's margin requirements were demand to significantly and sustainably decrease, thus having a negative impact on the Group's revenues.

A FINANCIAL AND ECONOMIC CRISIS MAY HAVE AN IMPACT ON LOANS, LETTERS OF CREDIT, BANK GUARANTEES AND OTHER GUARANTEES NECESSARY TO TECHNIP'S OPERATIONS

Technip benefits from significant short and long-term credit facilities, as well as bank guarantees from a large number of financial institutions, enabling Technip to meet its contractual obligations.

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

Nevertheless, adverse changes in the banking market may have a material impact on the future issuance of significant bank guarantees and letters of credit, and may require the involvement of several banks. These issuances may be more restrictive and more expensive to configure in a banking market where, banks would be 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 described in Sections 6.3.1 and 6.3.2 of this Reference Document), Technip cannot guarantee that it will not be required to bear the direct risk of financial failure from any of its clients, partners or subcontractors following the loss of financing for certain Projects or due to the increase in negotiation periods for the financing of Projects to which Technip is a contractor. Such trends may have a materially adverse impact on Technip's operations and results.

THE DECREASE IN AVAILABLE EXPORT CREDITS AND BANK LOANS MAY RENDER 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 remain in contact with many export credit agencies to promote Projects which may generate new contracts, and to obtain their assistance as exporter in the hedging or guarantee for such Projects. Technip's clients negotiate and obtain export credit facilities financed by banks with the support of export credit agencies, as well as loans financed by commercial credit providers; these two forms of credit facilities are used to finance Projects of certain of Technip's clients. Should the level of support received from these export credit agencies decline, or if the amount of the commercial credit, whether or not backed by export credit agencies, were to be reduced from their 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 the completion of certain Projects. Any decline in the number of new contracts resulting from this could limit Technip's growth opportunities and have a material impact on its operations.

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 expectations of fluctuations in these prices. High volatility in oil and gas prices could lead oil and gas companies to delay or even cancel their investment projects.

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

In the downstream sector of the oil industry, one of the main drivers for new investments is the world economic growth led by emerging economies. A slowdown in the world economic growth may put downward pressure on the demand for products derived from oil and gas, including fuel and plastics. Any decrease in the demand rate would reduce incentives for Technip's clients to invest in additional treatment capacity.

Finally, investments in the oil sector are not only influenced by oil prices and world economic growth, 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;
- political, economic and geopolitical conditions; and
- changes in environmental legislation and regulations.

A decrease in investments in the oil and gas industry, caused by one of the factors mentioned above, or for any other reason, could decrease Technip's capability to maintain or increase its operating income and profits.

RISKS DUE TO WEATHER CONDITIONS

Severe weather conditions in the countries in which Technip operates, could have a materially adversely impact on Technip's operations, requiring 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 A NEGATIVE IMPACT ON TECHNIP'S BUSINESS

Technip's operations and manufacturing activities are governed by international, regional, transnational and national laws and regulations in every place where it operates, and in various often-changing fields, such as securities laws, internal control, health and safety, privacy and data protection, ethics, anti-corruption, labor and environmental laws, export control on certain specifically enumerated items or strategic industries, as well as compliance with trade or other sanctions, including, as of recently, political and economic sanctions involving the Russian Federation. Technip may be required to make financial and technical investments, suspend its activities in certain countries or may be further limited in its ability to access certain markets or countries, for an indefinite period of time, to comply with these laws and regulations, and any changes thereto. In addition, any misconduct or failure to comply with these laws and regulations could expose Technip or its employees to criminal, civil and administrative liabilities and could damage Technip's reputation or have an adverse impact on its share value.

Technip cannot guarantee that, in exceptional cases, certain of its assets will not be nationalized or expropriated or that certain of its contractual rights will not be challenged. The materialization of such risks could result in a loss of the Group's 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, MAY IMPACT THE DETERMINATION OF TECHNIP'S TAX LIABILITIES

Technip operates in many countries and, as a result, is subject to taxes in a number of different jurisdictions. Revenue including net income actually earned, deemed net profit and withholding taxes generated in the various jurisdictions, are taxed differently. The final determination of Technip's tax liabilities requires an interpretation of local tax laws, treaties and the practices of the tax authorities of 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 ensuing such operations. Changes in tax regulations and practices could materially impact Technip's tax liabilities if the Group, contrary to the recommendations of the Group's Tax Department, was 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 AND RESULTING IN A LOSS OF REVENUE

Some of Technip's products, including the processes used by Technip to produce and market such products, are patented, are subject to patent applications, or represent 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, which 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 or (iii) any third parties. Should any of these risks materialize, Technip's image or financial condition could be negatively impacted.

THE DOUBLE VOTING RIGHTS AND CHANGE OF CONTROL PROVISIONS, THAT ARE CONTAINED 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 canceled when approved by an Extraordinary General Meeting of the Company's shareholders, further to receiving the approval of such double voting rights holders during a special assembly.

As of January 31, 2015, 11,319,736 shares carried double voting rights, representing approximately 9.93% of the share capital and approximately 18.27% 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 agreements. The direct effect of provisions pursuant to which, for example, a licensor may be entitled to challenge contractual rights, should not prevent or delay a change in control but could, decrease the Group's access to certain markets.

Double voting rights, as well as the change of control provisions discussed above, could 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 defence against hostile takeovers and could delay or even deter a change of control, pursuant to which the Company's shareholders could have received a premium, over to the then-prevailing market price of the Technip's 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 and, in certain cases, that are US-owned or controlled from doing business, and also expose non-US persons and non-US entities (even if not US-owned or controlled) to the risk of sanctions or penalties 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 MAY EXPOSE TECHNIP TO LIABILITY FOR NON-COMPLIANCE WITH ENVIRONMENTAL PROTECTION AND INDUSTRIAL RISK PREVENTION REGULATIONS

Technip operates in countries that have increasingly stringent and constantly changing regulations, which relate to environmental protection and to the operation of industrial sites. Technip could be held liable for environmental liabilities pursuant to the rules and regulations issued by the main countries in which it operates, and in particular, Directive 2004/35/EC of the European Parliament, and the European Council of April 21, 2004 on environmental liability, which has been implemented into 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 previously operated 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 which themselves 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. During fiscal year 2014, no provision was made, due to the exceptional nature of the occurrence of such risks and the difficulty in quantifying them.

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

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

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 have a materially adverse impact on 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 the 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 affected by changes in environmental laws or regulations, applicable either to the Project or 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 significantly negative impact on the Group's operations and financial results.
2. If the Group does not sufficiently anticipate developments in technologies that lower greenhouse gas emissions and are based on renewable energies, Technip would no longer be able to meet market demand, which in turn would have a negative impact on its operations and financial results.

■ TECHNIP COULD FACE CLAIMS FOR OCCUPATIONAL DISEASES RELATED TO ITS EMPLOYEE'S EXPOSURE TO VARIOUS RISKS AND BE HELD RESPONSIBLE AS AN EMPLOYER

Similar to 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 caused to its employees, Technip implements prevention programs designed to reduce specific health risks. In the event that occupational diseases related to asbestos were to be discovered or reported, Technip could be held liable. Technip could also be required to pay substantial indemnities to victims or to their heirs and assigns.

■ COUNTRIES WHERE TECHNIP CONDUCTS ITS OPERATIONS MAY REINFORCE THEIR REGULATIONS REGARDING NATIONAL ISSUES, THEREBY EXPOSING TECHNIP TO LIABILITY AND OTHER CONNECTED RISKS IN RESPECT OF SUCH SOCIAL REGULATIONS

Technip operates in countries with increasingly stringent and constantly evolving 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 or for foreign businesses, particularly regarding the employment of local workers, provision of products and services by local businesses, and social investment in favor of local 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, Technip could suffer from difficulties further along the supply chain due to a failure to contribute to the sustainable development of the broader local economy. 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 local communities in terms of human development and environmental conservation, could be a source of discontent and cause 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.

In addition to the risks mentioned above, due to the national environment and the nature of the industry in countries where Technip operates, Technip is also exposed to one risk in particular, 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 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 implement its operations in certain countries, ultimately resulting 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 2014, 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 32 (a) to the Consolidated Financial Statements included in Section 20.1 of this Reference Document.

As of December 31, 2014, 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 realization 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 in order 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, 2014, the Group had multiple financing sources for financing its general corporate needs, or for financing new assets or certain operations.

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 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 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 investments.

The bonds will be convertible into or exchangeable for new/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 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, 2014, the amount of the bond booked as non-current financial debt in the statement of financial position amounted to €535.6million and the amount booked as shareholders' equity amounted to €63.3 million (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 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 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 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/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, 2014, the amount of the bond booked as non-current financial debt in the statement of financial position amounted to €465.3 million and the amount booked as shareholders' equity amounted to €73.1 million (see Note 21 (b) in Section 20.1 of this Reference Document).

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 May 26, 2011. The notes have a 10-year term from 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.

2012 PRIVATE PLACEMENT NOTES

In June 2012, Technip concluded three long-term private placements, 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 a maturity date on June 14, 2022, 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, with a maturity date on June 15, 2027, 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 a maturity date on June 14, 2032, 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 does not include any financial ratios. 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.

2013 PRIVATE PLACEMENT NOTES

In October 2013, Technip concluded three long-term private placements, 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 a maturity date on October 7, 2033, 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 a maturity date on October 16, 2023, 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 placement notes concluded on October 18, 2013, with a maturity date on October 18, 2023, 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 does not include any financial ratios. 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.

AÇUFLEX PLANT FINANCING

Flexibras Tubos Flexiveis, one of the Group's Brazilian subsidiaries, entered in December 2012 into a loan agreement with BNDES *(Banco Nacional de Desenvolvimento Econômico e Social)* 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 harbour (Brazil). The loan is partly 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 monthly instalments 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 ratio. The loan is secured by a guarantee from Technip and not secured by any asset.

As of December 31, 2014, the outstanding amount of the loan was BRL397 million.

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

As of December 31, 2014, Flexibras Tubos Flexiveis, had nine separate loans entered into between August 2012 and October 2014 for a total amount of BRL500 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 nine loans agreements include the standard default provisions for such facilities with BNDES and do not include any financial ratio.

As of December 31, 2014, these fixed rate loans are fully drawn and consist in:

- two separate loan agreements for a total amount of BRL85 million entered into in August 2012, each with different commercial banks (each facility of respectively BRL50 million and BRL35 million). Both facilities have a single redemption date of September 15, 2015;

- three separate loan agreements for a total amount of BRL115 million concluded each 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;
- two separate loan agreements for a total amount of BRL200 million entered into in April 2013, each with a different commercial bank for BRL100 million. Both facilities have a single redemption date of April 15, 2016; and
- two separate loan agreements for an aggregate amount of BRL100 million entered into in June and October 2014 respectively, each with a different commercial bank for BRL50 million. The facilities have respectively a redemption date of July 15, 2017 and October 31, 2017.

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

As of December 31, 2014, Flexibras Tubos Flexiveis, 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 ratio.

As of December 31, 2014, these fixed interest rate loans are fully drawn and consist in:

- two separate loan agreements for a total amount of BRL200 million concluded each with different commercial banks in February 2013, each for BRL100 million. These loans have respective redemption dates of January 15, 2016 and February 15, 2016;
- 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 matures in March 7, 2016 and the BRL100 million loan matures on December 11, 2017 further to the extension of its maturity date on January 5, 2015;
- a loan agreement for a total amount of BRL100 million concluded with a commercial bank in February 2013 which was extended before its expiry date pursuant to an agreement entered into on December 30, 2014. This loan has now a redemption date of December 15, 2017.

LOANS UNDER INNOVA PETRO PROGRAM

As of December 31, 2014, these two loans which purpose is to sustain the financing of the development of innovative processes and products by Flexibras Tubos Flexiveis consist in:

- a BRL11.4 million credit facility entered into by Flexibras Tubos Flexiveis on June 13, 2014 with FINEP *(Financiadora de Estudos e Projetos)* the Brazilian Innovation Agency. The loan granted at a floating interest rate, will be reimbursed in 61 equal monthly instalments from June 15, 2017 until June 15, 2022. The loan agreement includes covenants and default provisions that are standard for such facilities with FINEP excluding any financial ratio. The loan is not secured by any asset. As of December 31, 2014, the outstanding amount of the loan was BRL8.1 million;
- a BRL13.7 million credit facility entered into by Flexibras Tubos Flexiveis on July 28, 2014 with BNDES *(Banco Nacional de Desenvolvimento Econômico e Social)*. The loan is partly granted at a floating interest rate, while 82% of the total amount is granted at a fixed rate of 4%. It will be reimbursed in 72 equal monthly instalments from September 15, 2016 until August 15, 2022. The loan agreement includes covenants and default provisions that are standard for such facilities BNDES excluding any financial ratio. The loan is not secured by any asset. As of December 31, 2014 the loan was undrawn.

GLOBAL INDUSTRIES BOND

On January 11, 2012, following the acquisition of Global Industries, Ltd by Technip and its delisting from the NASDAQ (New York), Global Industries Ltd reimbursed, to comply with the conditions set out in the original offering memorandum of the 2.75% USD325 million Senior Convertible Debentures, due August 1st, 2027, issued on July 27, 2007, 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, 2014, the non-tendered bonds amounted to USD2.4 million.

SYNDICATED CREDIT FACILITY AND BILATERAL FACILITIES

As of December 31, 2014, the Group had various unutilized financing sources for an aggregate amount of €1,347.5 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.

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 amended and extended on July 30, 2014. Subsequent to this amendment and extension, the final maturity date of the facility is July 30, 2019, with two one-year extensions on the first and second anniversary of the signing date at the borrowers' option, subject to the banks' approval.

   The facility, in the event it is utilized, includes a floating interest rate and an applicable margin which varies according to a schedule of Technip's credit rating.
2. In 2014, four separate credit facilities in a total amount of €340 million which may be drawn in Euros were granted to Technip and replaced before their respective expiry dates the existing facilities. The facilities have each two one-year extensions on the first and second respective anniversaries of the signing dates at the borrowers' option, subject to the banks' approval. Following bilateral negotiations, the amounts and maturity dates are as follows:
   - two facilities of €80 million each that mature on May 16, 2017;
   - a €80 million facility that matures on June 10, 2017;
   - a €100 million facility that matures on May 16, 2019.

   On September 3, 2014, Technip cancelled before its expiry date a €80 million bilateral facility. This facility was unused.
3. An unutilized credit facility amounting to €7.5 million was granted to a Technip subsidiary. This credit agreement includes a floating interest rate in the event that it is utilized as well as standard default provisions.

As of December 31, 2014, the credit facilities confirmed and available to the Group amounted to €1,374.1 million, of which €1,340.0 million is available after December 31, 2015. Out of this total of €1,374.1 million, €34.1 million is reserved for the financing of certain assets or for certain subsidiaries, such as €26.6 million related to the financing of the Açuflex plant.

In 2014, Technip issued again on the commercial paper market in light of favourable market conditions. As of December 31, 2014, the outstanding commercial paper amounted to €156 million. The Group has an authorization from the Banque de France for a maximum amount of € 1 billion.

As of December 31, 2014, debt falling due in 2015 and 2016 amounted to €986.7 million including €20.1 million of accrued interest and fees and €966.6 million of principal.

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 32 (b) in Section 20.1 of this Reference Document. As of December 31, 2014, 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, 2014, 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
100.7	1,876.3	73.2	513.1	257.9	1,899.2	4,720.4

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 2014, approximately 65% of the Group's revenue was realized outside the Eurozone, including 23% by companies having US dollars as the functional currency and 14% by companies having British pounds as the functional currency.

A variation of 10% in the USD/EUR exchange rate would impact Group revenue by €227.2 million, while a variation of 10% in the GBP/EUR exchange rate would impact Group revenue by €129.7 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, 2014. 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	1,000.9	1.9	1,006.5
Bond Issue (including Accrued Interest Payable)	13.8	199.7	669.8	883.3
Bank Borrowings and Credit Lines (including Accrued Interest Payable)	70.3	289.0	14.6	373.9
Commercial Papers	156.0	-	-	156.0
Fixed Rate	**243.8**	**1,489.6**	**686.3**	**2,419.7**
Cash and Cash Equivalents	(2,685.6)	-	-	(2,685.6)
Bank Borrowings and Credit Lines	11.7	146.5	34.2	192.4
Bank Overdrafts	0.9	-	-	0.9
Floating Rate	**(2,673.0)**	**146.5**	**34.2**	**(2,492.3)**
TOTAL	**(2,429.2)**	**1,636.1**	**720.5**	**(72.6)**

The outstanding fixed rate debt for which the residual maturity is greater than one year amounts to €2,175.9 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 €193.3 million compared to an aggregate total debt of €2,613.0 million.

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

As of December 31, 2014, the net short-term cash position of the Group (cash and cash equivalents, less short-term financial debts) amounted to €2,429.2 million.

As of December 31, 2014, 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 €93.2 million before tax. A 1% (100 basis points) decrease in interest rates would raise the fair value by €102.4 million before tax.

A 1% (100 basis points) increase in interest rates would generate an additional profit of €22.4 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 (*)	Impact on Equity before Taxes
Impact of +1% Change on Interest Rates	22.4	-
Impact of -1% Change on Interest Rates	(22.4)	-

(*) On the basis of outstanding amounts as of December 31, 2014.

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 Chief Financial Officer.

The Group does not use financial instruments for speculative purposes.

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	96.9
Provisions for Risk	(86.8)
Off-Balance Sheet	-
NET TOTAL POSITION	**10.1**

Sensitivity to Changes in Share Price

As of December 31, 2014, the Company held 1,363,995 treasury shares. In the event of a 10% decrease in Technip's share price, which was €49.42 as of that date, the Company would be required to record a provision in its annual accounts, unless those shares were allocated to plans.

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, 2014, the Group held 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 instruments 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 and materials, 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, piping materials, electrical equipment and materials.

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, electrical cables, pressure vessels or heat exchangers, 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 terms of flexible pipes and umbilicals for its plants. In 2014, this represented 6% 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, copper, nickel, 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, as a global leader in Project management, engineering and construction for the oil and gas industry, added to the large technological portfolio that it is able to offer to its clients, Technip is exposed to technological, strategic and reputational risks, which are particularly affected by applicable regulations and the development of the environment in which the Company operates. 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, detailed 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 Audit & Risks Senior Vice President. Identified risks are monitored using internal risk-mapping and improvement programs and, where necessary, accounting provisions. 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;
- identify the Group's exposure to risks;
- implement cost effective and rational actions to reduce risks; and
- 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 for 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 efficiently assess 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 operating organization to manage crisis thus reflecting the Company's specific organizational and operational requirements.

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

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

In order to provide better guarantees to clients and partners, Technip's Security Division and Technip's IT Division supports Regions and entities through the organization of seminars and trainings to allow them to individually implement business continuity policies.

Business continuity approach is being developed in order to minimize, in the event of a major incident, the time required for the resumption of the Group's most critical operations, by having an operational continuity plan in every single Technip entity that is considered to be critical to the Group. Technip's Incident and Continuity Application (TICA) has been designed as an integrated tool to support its Crisis Management (through the creation of a virtual Crisis Center) and its 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, through a selective approach to projects and as early as the Project's request for tender phase, the Group endeavors to limit risks relating to contract margins. 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) a failure to provide Technip with the necessary information required for 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 Group level, a detailed and regular analysis is conducted by business segment to ensure the management of the risks that could affect the outcome 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 implicated 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 related to providing security for its large Projects (a dedicated tool has been specifically developed: Technip's Security Management System) and, if applicable, the subscription of insurance policies covering political risks.

4.8.4. MANAGEMENT OF RISK FROM 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 particular subcontractor or supplier, or to require that they provide bank guarantees or adapt their payment terms and conditions to the specific risks being identified.

4.8.5. MANAGEMENT OF COMPETITION RISK

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, high-end assets and execution capabilities. Finally, spreading operations across geographic regions and business segments contributes to reducing the risk of competition (see Section 6.3.1 of this Reference Document).

4.8.6. MANAGEMENT OF RISKS RELATING TO THE ASSETS OF TECHNIP

The Group implements a regular maintenance program to keep its industrial and naval assets in good working condition. Any new capital asset construction project is managed as any other commercial project within Technip, following the same internal management processes to ensure the best possible outcome in terms of safety, quality, schedule and budget objectives.

4.8.7. MANAGEMENT OF COMMODITY AND EQUIPMENT RISK

Technip has an information network which aims to adequately anticipate the risk of an increase in commodity prices. Technip endeavors to fix its prices at the time that the contract is entered into for Projects requiring a large quantity of raw materials that are particularly sensitive to market fluctuations. For those contracts in which a specific raw material or specific equipment represents a significant portion of the Project, Technip may set a fixed purchase price as part of its Project bid to pass on the risk of any price increase for 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. At any point in time, the objective is to allow each Project within the Group to benefit from the best possible market terms.

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 and its customers, who work at industrial facilities that are exposed to risks, are subject to a number of obligations, and in particular must take all necessary measures to monitor, evaluate and manage risks, and to evacuate staff in the event of an incident. Technip's policy in terms of 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 2014, more than 814,214 hours were invested in HSE training across 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 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 independently analyzed by the Group's Internal Audit Department when conducting its annual 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 financial risks and opportunities:

- regulatory risks and opportunities arising from more stringent international, European or national regulations aimed at reducing greenhouse gas emissions; and
- 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 rather than risks.

In any event, Technip would not itself be directly impacted by regulatory changes, as it does not have many industrial facilities, and conducts regular regulatory surveys for all of 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 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.

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 due to severe weather conditions. This system is detailed in Section 4.8.2 of this Reference Document.

Expenses incurred by Technip in such circumstances may be partially covered by insurance policies.

4.8.11. MANAGEMENT OF MARITIME SECURITY RISKS

Maritime security processes for Technip's vessels and its crews are regularly updated by Technip's Security Division to reduce the Group's exposure to maritime risks such as thefts, attacks, consequences linked to potential stowaways, or the intrusion of illegal products, in the harbors, or 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 threats.

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 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's Security Division and largely distributed to Technip's fleet executives and crew members.

To be as close as possible to Technip's operations globally and to be able to immediately and efficiently react if needed, the maritime security organization has been trained by maritime correspondents, with tailored monitoring depending on geographical regions. This allows for an accurate and close security control. Maritime security experts ensure a smooth coordination between the various regions and ensure a similar application of measures in compliance with Group commitments.

Technip's vessels are integrated in Technip's internal maritime security software (Technip's Security Navy Tracking). It is designed to enable the real-time identification of the position of Technip's fleet and the prevention of piracy risks due to the permanent analysis of piracy acts. Every time a vessel enters a sensitive maritime region, Technip's 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 regions, mandatory *ad hoc* protective measures are implemented under the leadership of a single authority.

Technip's Security experts, exclusively dedicated to maritime security, report directly to the managers of fleet operations 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 resources, 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 constantly analyses the context and evolution of security in all countries where the Group operates or anticipates operating to anticipate any potential deterioration of the security situation. In addition, dedicated security procedures and a specific security organization have been developed and updated to clarify the roles and responsibilities of each stakeholder on a Project, and ensure the protection of Technip's staff at all times. Dedicated physical security measures, raising of the staff's security awareness, and Project crisis management systems are key-elements for the implementation and development of a coherent and efficient security management system, to mitigate the risks of a project in a sensitive area.

A handbook was developed specifically by the Security Division for Projects, defining the security measures to be carried out at each stage of a Project (Technip's Security Management System). It highlights the need for the definitions of security measures, at a very early stage of a project, to recommend bespoke solutions (especially in terms of human involvement and expenses). In 2014, various training programs were organized for Project and Proposal Managers to raise their awareness regarding Project security.

In addition, Technip's Security Division has set up a Joint Operating Center dedicated to the Yamal LNG Project. It has the particularity to centralize and monitor all security-related information of the Project's various sites and vessels.

4.8.13. MANAGEMENT OF AIR TRAVEL RISKS

Technip pays particular attention to the secure travelling of its staff especially by air. To reduce this risk, the Group's Air Travel Security and Safety Assessment Procedure gives practical guidance to assess and audit airlines and air travel service providers. This documentation was widely distributed to all entities (countries and Regions), and each entity was assigned with the responsibility of implementing this procedure.

4.8.14. MANAGEMENT OF RISKS RELATED TO INFORMATION AND INFORMATION SYSTEMS

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

In 2014, a particular focus was dedicated to the management of risk within major Projects. This approach enables to identify the main risks and their potential impacts on the Project, to implement if necessary, corrective measures. This process is repeated throughout the duration of the Project. It also ensures a sustainable approach to Information Systems Security and the protection of know-how.

Furthermore, Technip's Security Division conducts independent audits on Information Systems. The vulnerabilities that are identified are rectified by the IT Division, thereby ensuring the neutrality and objectivity of results.

Finally, sensitive applications implemented by the IT Division are also audited to confirm the strength of the systems and the absence of major risks that could impact the Group.

4.8.15. MANAGEMENT OF RISKS RELATED TO EXTERNAL FRAUD

The number of external fraud attempts targeting Technip has increased. Therefore, the Group's Treasury and Security Divisions have created a joint Task Force and a unique email address to report any suspicious event and to provide immediate and appropriate action.

The joint Task Force has also implemented an external fraud network in each entity that Technip operates, to better relay such external fraud, and better respond to the reality of the field.

In 2014, the Task Force focused on the implementation of awareness sessions dedicated to all of Technip's employees. In 2015, an Anti-Fraud Day will be launched.

The preventive measures conducted in 2014, in collaboration with the External Fraud Network, Communication, Human Resources and IT Divisions, promoted the preservation of the interests of Technip.

4.8.16. MANAGEMENT OF RISKS LINKED TO ITS PERSONNEL

Technip faces a real human challenge due to the large-scale and the complexity of some of its Projects.

Several entities of Technip have faced difficulties in recruiting or developing sufficiently experienced engineers, since there are very few engineers available locally. In countries where demand for junior engineers is increasingly higher and higher, there are very few graduates.

To solve this issue and to support the growth and development of the Group, recruitment solutions such as the use of social networks, partnerships with high schools and the organization of recruitment forums, have been used as an alternative to the traditional job application route.

Since 2013, the need for key Offshore resources and, since 2014, Onshore resources, is being assessed and anticipated every six months. In 2015, this effort will be reinforced with the launch of a Group project, to set up a sustainable approach for Strategic Workforce Planning. Fully implemented in 2015, the Group's job classification will greatly facilitate this exercise.

The Group also relies on a network of Talent Managers who are in charge of managing the development of careers.

In line with the Group's strategy, the Group has implemented clearer internal mobility conditions to facilitate the expatriation and the mobilization between Technip's various centers.

Introduced in 2009, and maintained since then on an on-going basis to retain its 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 and alert systems have been implemented.

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

4.8.17. 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.

4.8.18. 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's 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 taking into consideration the features and risks that are specific to its Projects. The Group believes that its insurance coverage is in line with standard business practices in this sector. However, Technip 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 terms and 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 offering tailored coverage for periods covering the duration of a particular contract. Under these policies, Technip is the beneficiary, either as a direct subscriber on its own behalf and on behalf of its contracting partners (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 to by the client.

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

The high premiums (generally ranging from 0.3% to 0.6% for "Onshore" risks and from 3.5% to 5% for "Subsea" and "Offshore" risks) and deductibles (occasionally up to USD5 million) of these policies create an incentive for the Group to pursue prevention and protection efforts.

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 workers' compensation insurances for workers' industrial injuries outside of 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. Technip monitors the insurance coverage of its car fleets on a local basis.

2. Permanent Insurance Policies

Permanent insurance policies primarily cover the financial consequences arising from losses that are not covered by specific policies relating to contracts. These guarantees 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 Group level. This integrated program is based on a Master Policy that includes all policies locally subscribed to by the Group's subsidiaries, complemented by additional policies where additional coverage is required.

A dedicated mechanism, Employer Liability, was implemented to cover risks linked to various categories of staff in countries where the local legislation so requires.

The Group's maritime business

The main policies relating to the Group's maritime business are as follows:

- a "Hull and machinery" policy, which covers the fleet in the event of total loss or physical damage;
- a policy for liability incurred by shipowners, referred to as "Protection & Indemnity" ("P&I"), and placed with P&I Clubs. This policy also covers pollution risks attributable to vessels; and
- a "Transferable Materials" policy, covering all risks, from 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 an "All Risks with Exceptions" policy *(Tous dommages sauf)*, with respect to both physical and business interruptions losses resulting from a damage.

In addition, several of the Group's premises, its head office in particular, are covered by dedicated multi-risk policies.

Prospects of permanent policies

Recent material events:

- on July 1, 2013, the civil and professional liability program was entirely renegotiated. The terms and conditions of this renewal are set for a term of three years; and
- in 2014, the overall cost of the Group's Insurance for all permanent policies remained under 1% of the Group's consolidated revenues.

As of January 1, 2014, insurance cover relating to the Group's environmental risks was implemented to cover risks linked to industrial sites of the Group and risks on its Projects.

In 2014, Technip began a study to adapt its levels of coverage with the evolution of the Group's activities. In 2015, this will result with a significant material increase in the Group's insurance coverage.

3. Group Risk Management Tools

Over the past 10 years, there has been an on-going process to optimize the Group's Insurance programs by increasing the role of Technip's reinsurance subsidiary, Engineering Re. In 2011, Front End Re, a second reinsurance subsidiary 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 'Marine Employer Liability' risk.

The holding level is adapted to optimize conditions of access 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

In early 2011, Technip purchased a second reinsurance company, Front End Re, incorporated and located in Luxembourg. This decision was taken in consideration of the specific features of certain Projects (*i.e.*, contractual undertakings, the magnitude and duration of the Projects, technology) and the relatively limited capacities in the relevant markets.

Recently, markets have evolved on more favorable terms, offering significant accrued capacities at competitive prices. This made Front End Re a less interesting self-insurance vehicle, therefore Technip agreed to a purchase offer and the sale is expected to be completed early 2015.

5 Information on the Company and the Group

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 term of 99 years. Its 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 and is governed by French law, pursuant to the provisions of Book II of the French Commercial Code (*Code de commerce*).

5.1.5. HISTORY

1958-1960s

Technip was founded on April 21, 1958. Technip's first significant orders were refinery and natural gas contracts with Total. Building on its initial success in France, Technip began to develop on an international level. 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 through the creation of Technipetrol in Rome (Italy) and Tecplant in Barcelona (Spain).

In 1971, Coflexip, a company specialized in designing and manufacturing flexible pipes used for the subsea extraction of hydrocarbon, was created.

Over the course of this decade, Technip also established Technip-Geoproduction (a hydrocarbon field equipment expert) 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 saw significant developments in the Middle East, with agreements to build gas-processing plants (in Iraq, Qatar and Saudi Arabia). Technip further strengthened 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.

Technip confirmed its entry into the cement industry through its launch of the initial phase of the Astrakhan gas complex (former USSR) and the acquisition of Creusot Loire Entreprise (CLE).

In the mid-1980s, Technip further established its reputation by raising the Ekofisk platforms in the North Sea – groundbreaking development for technology. In cooperation with Areva (formerly known as SGN), Technip helped expand La Hague, France's nuclear fuel reprocessing plant. In 1986, Coflexip strengthened its footing in Vitória (Brazil) with the opening of a flexible pipe manufacturing plant.

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. The Group continued its expansion through the acquisition of Spie-Batignolles' industrial engineering operations (Speichim and EGI) and Lentep (Saint Petersburg, Russia). Coflexip also acquired Perry Tritech Inc., a radio-guided subsea robot manufacturer.

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

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

In the mid-1990s, pursuant to another period of rapid expansion, Technip: (i) founded Technip Tianchen (China), (ii) acquired a majority stake in upstream oil specialist CBS Engineering (Houston, Texas), and (iii) joined with SGN to establish the chemical engineering company Krebs-Speichim. Over the course of a few years only, Technip strengthened its global positioning through 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 to 10,000 employees. Technip then stood as the industry's leader in Europe.

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

2000s

In April 2000, Technip made a strategic move 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 merged into Technip-Coflexip and became Europe's leading operator in the engineering, technology and oil and gas service sectors, and fifth largest worldwide. In 2001, Technip was listed on the New York Stock Exchange (NYSE).

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

Technip continued to consolidate its leadership in the oil and gas industry through the acquisition of complementary technologies and technological expertise, and by reinforcing its global presence.

Technip 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. That 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 grew organically by increasing its flexible pipe production and plant capacity in Vitória (Brazil) and at the Le Trait plant (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, however, maintained its American Depositary Receipts (ADR) program, through American Depositary Shares (ADS) that are traded over-the-counter (OTC).

Regardless of 2008's economic recession, Technip seized opportunities as they arose to develop its operations. The Company acquired Eurodim, an engineering and consulting company, and formed a joint venture with Areva - the TSU Project - to develop major mining projects. Technip's Onshore activity acquired EPG Holding BV, an engineering expert, well-positioned in the oil and gas and petrochemical sectors.

Technip assisted clients who 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 integrated solutions to their clients for the entire CO_2 capture, transport and storage chain.

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

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

2010-2013

Since 2010, Technip has continued to establish its position as a worldwide leader, with projects in its initial market, while 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, Technip was awarded the contract to design an emergency response system to contain oil in the event of a potential future deepwater well incident in the Gulf of Mexico, on behalf of the Marine Well Containment Company (MWCC).

In December 2011, Technip acquired Global Industries, Ltd. with its complementary subsea know-how, assets and experience notably including two newly-built leading-edge S-Lay vessels, as well as strong positions in the Gulf of Mexico (both in US and Mexican waters), Asia-Pacific and the Middle East. This broadened Technip's capabilities, expanded by approximately 30% its addressable market in deep-to-shore projects, and strengthened its leadership in the fast-growing subsea market.

In 2011, Technip acquired Cybernétix S.A., a French listed company and a world leader in robotics for complex systems in hostile environments. Founded in 1985, Cybernétix has over 150 highly competent engineers and technicians to fulfill business needs in the fields of mechanics, electronics, automation, vision and data processing.

Technip achieved another world first when it was awarded Floating Liquefied Natural Gas (FLNG) FEED contracts from three different clients (Shell, Petronas and Petrobras).

2012 was also a year of growth for Technip. In August, it acquired Stone & Webster process technologies from the Shaw Group, which included its associated oil & gas engineering capabilities. Due to this transaction, Technip became a world-class leader in upstream technology.

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.

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

In November 2012, Technip expanded its global reach in the Asia Pacific region through the inauguration of a new flexible pipe manufacturing plant in Malaysia. AsiaFlex is the Technip's third flexible pipe plant.

Throughout 2013, Technip's business segments won contracts around the globe, acquired new leading-edge vessels and strengthened their market position through the establishment of joint ventures and alliances.

In March, Technip and two Rostec subsidiaries entered into agreements to form joint ventures for subsea pipe laying, oil refinery, petrochemical and gas chemical production projects in Russia, including the facilities required for offshore oil field operations.

During May, Technip officially named its new state-of-the-art pipelay vessel, *Deep Energy,* the fastest and one of the largest and most capable pipelay vessels ever built in the industry.

At the start of summer, Technip inaugurated its Innovation and Technology Center at Rueil-Malmaison (France) that brings together more than 50 managers and specialists of subsea technologies to further boost innovation.

Adding to its reputation as a pioneer, in August 2013, Technip was awarded a contract by Shell Offshore Inc. to develop subsea infrastructure and to lay the world's deepest gas pipeline at the Stones field, located in the US Gulf of Mexico.

Technip and Sasol have announced their alliance for future gas-to-liquid (GTL) projects, to establish front-end engineering services by achieving industry leading capital productivity, through the highest standards of HSE, operability, accelerated innovation and reduced project cycle times.

The joint venture formed by Technip (50%) and DOF (50%) was awarded by Petróleo Brasileiro S.A. (Petrobras) with eight contracts, to cover the construction of four new flexible pipelay vessels (PLSVs) and operate in Brazilian waters. Two of the PLSVs will be produced in Brazil with their delivery scheduled for 2016-2017 and their operations will run for eight years, with an option to renew for an additional eight-year period.

In August 2013, Ingenium AS, a highly experienced offshore engineering and services contractor located in Oslo (Norway) merged with Technip Norge AS.

In September, Technip announced its agreement with China Huanqiu Contracting & Engineering Corporation (HQC) for procurement activities in Europe and China.

Later that month, Technip and Shell Cansolv entered into an agreement to leverage their respective expertise in marketing and end-to-end solution for Carbon Capture and Sequestration (CCS) projects. This agreement enables both Technip and Shell Cansolv to offer a complete chain of engineering, procurement and construction (EPC) services. This will play an important role in helping Technip's clients reduce emissions and meet current energy challenges.

In December 2013, Technip's long-standing agreement with BP regarding purified terephthalic acid (PTA) was extended. Technip became BP's exclusive provider of the ISBL (Inside Battery Limit)

FEED for third-party licensing to deliver advantaged capital productivity, applying the highest standards of HSE, operability, innovation and reduced project cycle times. New plants are able to achieve 75% lower water discharge, 65% lower greenhouse gas emissions and 95% lower solid waste generation, when compared with conventional technologies.

In December 2013, Technip and China Offshore Oil Engineering Co. Ltd. (COOEC), the largest offshore engineering and construction company in China, entered into a five year joint venture agreement to combine their know-how, technical resources, complementary assets as well as commercial and financial capabilities, to target deepwater engineering, procurement, construction and installation (EPCI) in Subsea Umbilicals, Risers and Flowlines (SURF) projects taking place in China at a water depth greater than 200 meters.

End of 2013, Technip leveraged its 50 years of experience by developing a new expertise focused on Project Management Consultancy services (PMC) and named it Technip PMC.

Technip's business in 2014 is described in Section 6.1.1 of this Reference Document.

5.1.6. TECHNIP AND THE STOCK EXCHANGE

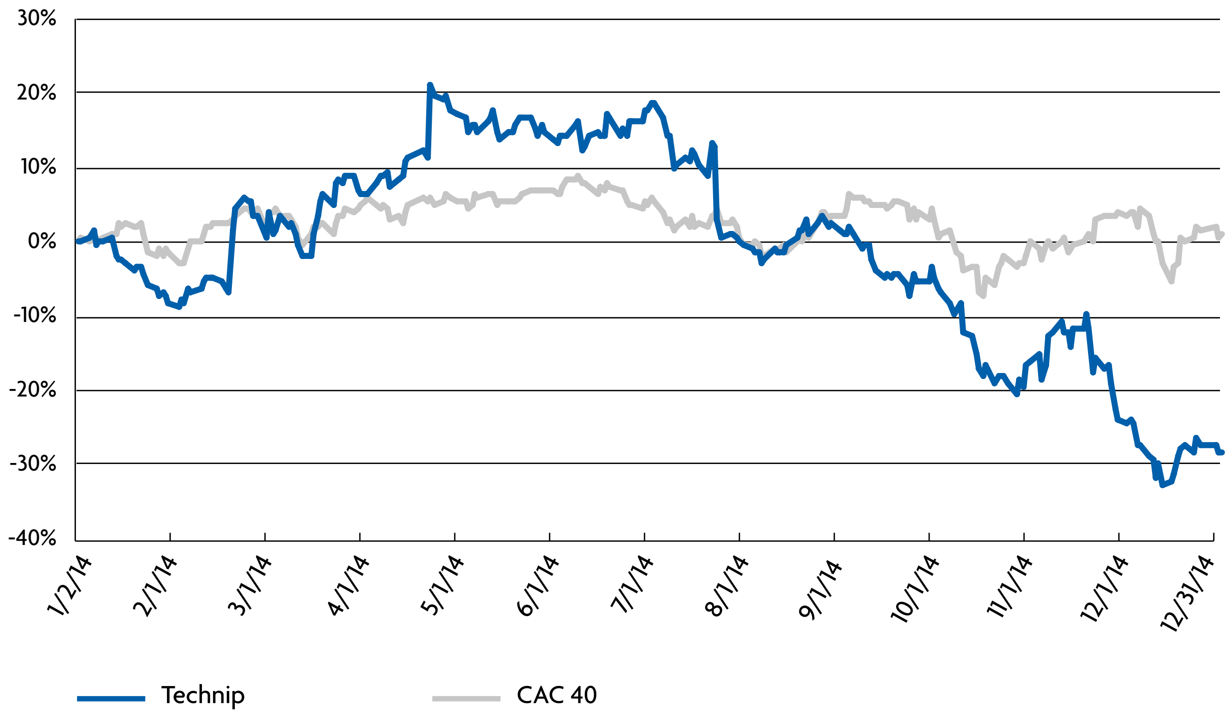
Technip's shares are listed on the regulated market of Euronext in Paris and, in the United States, on the OTC market in the form of American Depositary Receipts (ADR), each Technip share representing four ADRs.

As of December 31, 2014, Technip's shares ranked 39th on the CAC 40 by weighted capitalization (0.59%).

In 2014, Technip registered a strong backlog of approximately €21 billion. Its strategy remains focused on project execution excellence, diversified order intake, capital and cost discipline, and engaging early on with clients to provide them with differentiated assets, to serve them with the best cost-effective and technological solutions. In the challenging market environment, companies in Technip's sector saw a drop in their share price by year end 2014, due to a significant decline of 44% in the price of oil[1]. In 2014, Technip's share price lost 29%, from €70.00, as of December 31, 2013, to €49.42, as of December 31, 2014. During that same period, the transaction volume of Technip shares was up 25%. Technip will continue to build on these strengths, whilst looking for opportunities to broaden its industry leadership in the oil services.

Share performance

Share price performance on Euronext in Paris – Compartment A (from January 2, 2014 to December 31, 2014)



Source : Bloomberg

(1) Crude Oil (WTI).

Technip share performance on Euronext Paris over the last 18 months

	Date	High/low prices (in Euro) Highest	Lowest	Number of shares traded	Capital exchanged
2013	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	60.20	12,904,893	873,968,400
2014	January 2014	70.15	62.80	10,924,311	728,956,400
	February 2014	73.00	62.14	12,078,358	812,838,100
	March 2014	75.53	67.09	10,500,742	747,535,700
	April 2014	83.47	72.42	11,545,037	894,669,200
	May 2014	82.42	77.90	7,466,193	594,268,500
	June 2014	80.62	77.20	9,427,292	743,211,900
	July 2014	82.24	68.32	11,603,011	859,099,600
	August 2014	71.32	66.11	8,139,794	559,636,000
	September 2014	70.69	63.42	10,531,717	701,583,500
	October 2014	66.50	54.24	19,513,617	1,140,838,400
	November 2014	62.90	51.01	18,732,202	1,083,260,300
	December 2014	53.00	45.19	21,694,877	1,062,505,300
2015	January 2015	53.68	44.91	20,121,239	982,809,040
	February 2015	61.55	51.90	20,212,638	1,149,508,399

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 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 mainly 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;
- increase in production capacity at the umbilicals plant in Angola to meet the increasing demand of deepwater projects in West Africa;
- two new 550 tons flexible pipelay vessels, *TOP Coral do Atlantico and TOP Estrela do Mar*, delivered in October and December 2014 respectively, 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). They are on long-term charter with oil company Petrobras;
- 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 Açu (Brazil).

5.2.2. MAJOR CURRENT AND FUTURE INVESTMENTS

In 2014, 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:

- four new flexible pipelay vessels, two 650 tons (*Skandi Acu* and *Skandi Buzios*) and two 300 tons (*Skandi Olinda* and *Skandi Recife*), 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, the *Deep Explorer*, 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 flexibles sector, Technip announced an investment over four years to modernize its flexible pipe manufacturing plant, Flexi France (France). This modernization plan focuses on the installation of new-generation machines and site optimization to fit 12 meter diameter reels, on which flexible pipes are spooled. Increasing the reel capacity from 9.6 to 12 meters in diameter will provide room for twice as much flexible pipes on each reel.

As of December 31, 2014, the total amount of these investments adjusted amounted to €375.6 million. The breakdown by segment is as follows:

- Subsea: €337.6 million;
- Onshore/Offshore: €38 million.

In 2014, capital expenditure adjusted amounted to €375.6 million compared to €575.5 million in 2013, 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

Overview of the Group's Activities

6.1. Technip's Business in 2014

6.1.1. BUSINESS ACTIVITIES IN 2014

Subsea

Technip's Subsea segment kicked off 2014 with two contracts for ultra-deep water fields that are pushing back subsea frontiers as the Group strives to ensure this technological excellence and continually improve high reliability, generating value for the energy industry. The contracts are 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 of Brazil for Petrobras.

Together, the two contracts cover the supply of approximately 100 kilometres of flexible pipes for oil production, gas lift and gas injection. They also include 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.

Later in January, Technip reinforced its position in the promising subsea business in the Middle East with a substantial contract awarded by Dubai Petroleum Establishment covering the engineering, procurement, construction and installation of the Jalilah B field development project. Technip's scope of work consists of the construction and installation of the *Jalilah B* platform and installation of 110 kilometres of pipelines.

In February, Technip leveraged its uniquely innovative handling system for harsh environments to win a substantial contract with Statoil for a dedicated vessel and equipment for future intervention services on the Åsgard Subsea Compression Stations. The Åsgard field is among the largest developments on the Norwegian continental shelf, and the Åsgard Subsea Compression facility is the world's first project of its kind.

On the strength of Technip's best-in-class solution for a large and complex project combining onshore and subsea scopes and strong presence in Asia, Technip won a major contract with Eni, Operator of the Muara Bakau, for the Jangkrik project (Indonesia).

The contract covers the engineering, procurement, commissioning and installation of 36 kilometres of flexible risers and flowlines, 195 kilometres of pipeline and subsea equipment that includes mid-water arch and flowline end termination. Technip will also carry out the installation of 51 kilometres of umbilicals, five manifolds and seven Subsea Isolation Valve (SSIV) subsea structures and associated flying leads. This project also includes the engineering, procurement and construction of an onshore receiving facility including pig traps and metering systems.

In April, Technip-Heerema strategic alliance was awarded a major USD3.5 billion lump sum contract by Total E&P Angola for the engineering, procurement, construction, installation and pre-commissioning for the SURF (subsea umbilicals, risers and flowlines) part of the Kaombo project. This project is the largest subsea contract ever awarded to Technip and strengthens its position in the ultra-deepwater market. Technip, Heerema and their Angolan subsidiaries offer comprehensive subsea solutions to the ultra-deepwater market through an unrivalled complementarity of capabilities, for the benefit of the Angolan oil infrastructure.

The project's scope of work consists of the engineering, procurement, fabrication, transport and installation of 18 rigid risers, of the Single Top Tension Riser type, including large buoyancy tanks, flexible top riser jumpers and riser base spools, approximately 300 kilometres of rigid pipe-in-pipe production and single pipe injection pipelines, and a large number of subsea structures, piles and steel jumpers. It also covers the transport and installation of client-supplied umbilicals, manifolds, well jumpers and flying leads.

Also part of the Kaombo project, a consortium composed of Angoflex Ltda (owned jointly with Sonangol) and Technip Umbilicals Ltd (former DUCO Ltd) was awarded a large lump sum contract by Total E&P Angola for the engineering, procurement and fabrication of umbilicals. This contract is an excellent example of the Group's ability to deliver large and complex umbilical projects and our unique position of manufacturing umbilicals locally in Angola.

Also in April, Technip was awarded by Eni Angola S.p.A. a major subsea contract for the engineering, procurement, fabrication and installation for the Block 15/06 West hub field development, located 350 kilometres offshore North West of Luanda at water depths up to 1,400 meters. The development involves the provision of rigid flowlines from the Dande base, Angola, to be installed by the *Deep Pioneer* and *Deep Energy* vessels.

In May, Technip was awarded a contract by Marathon Oil Norge for the extension of subsea infrastructure at the Alvheim field, located on the Norwegian continental shelf. The scope of work includes installation engineering, procurement, fabrication, installation and tie-in of spools and protection covers, as well as installation of one manifold. The offshore campaigns will utilize Technip's state-of-the-art diving support vessel, *Skandi Arctic*, capable of working efficiently through winter in both construction and diving mode.

Over the summer, Technip was awarded two contracts by Maersk Oil for the Valdemar & Roar Gas Lift project and the Rolf Replacement Pipeline project, located on the Danish continental shelf. The scope of work will include the fabrication and installation of two riser caissons on the Valdemar and Roar platforms; fabrication and installation of a flowline between the Rolf A and Gorm E platforms, pipeline trenching and protection operations; fabrication and installation of 34 spools, and offshore commissioning.

Also in June, the Technip-DeepOcean PRS joint venture was awarded a new frame agreement by Statoil ASA for Pipeline Repair System (PRS) Pool services. Starting on December 1, 2014, the agreement will have a firm duration of five years, as well as three optional periods of two years each.

This agreement will ensure pipeline contingency for the PRS Pool members currently covering up to 15,000 kilometres of pipelines. The scope of work includes the management, administration, operation and maintenance of the PRS equipment; mobilization/demobilization and offshore operations related to the use of the PRS equipment; and studies, engineering, procurement and fabrication for the PRS Pool.

In July, Technip leveraged its unique subsea vertical integration to win a contract with Total E&P UK for the Edradour Subsea Development. Technip's scope of work includes the fabrication and installation of production pipelines. Technip's operating centre in Oslo, Norway, will execute the project; while the pipelines will be fabricated at the Evanton, Scotland spoolbase and umbilicals will be manufactured at Newcastle, UK upgraded facility and both will be installed by the *Deep Energy*.

Rounding out the summer, Technip was awarded a new framework agreement by Statoil, ExxonMobil and Gassco for diving, subsea intervention and repair contingency services for the maintenance of underwater pipelines, requiring advanced technology.

This replaces an existing frame agreement held for eight years. Technip will provide these services for the next four years with options for up to seven years.

Technip will provide diving and remote operations using the Group's dedicated diving support vessels (DSVs) and/or construction vessels. The area of operation is for the Barents, Mediterranean and Baltic Seas and North Atlantic Ocean, including Newfoundland, Canada.

In September, Technip was awarded a lump sum contract by Deep Gulf Energy II LLC for the development of the Kodiak field, located in Mississippi Canyon Blocks 727 and 771, in the US Gulf of Mexico. The project consists of a subsea tie-back to the *Devils Tower Truss* Spar located in Mississippi Canyon Block 773. The pipeline will be constructed of bi-metallic and lined with corrosion resistant alloy to withstand Kodiak field's high temperature and pressure, as well as extremely corrosive production fluids. This solution effectively addresses the challenges of increasingly demanding operating conditions.

Technip's vast experience in the delivery of efficient, cost-effective solutions for our clients has been recognized once again with the award in October of a large engineering, procurement, installation and construction contract by EnQuest to maximize production of the Kraken development located in the North Sea. The contract covers project management engineering and installation works, which include fabrication at the Evanton, Scotland spoolbase and pipelay of rigid pipe; installation of three umbilicals manufactured at the Newcastle, UK facilities; installation of flexible risers and jumpers; template and manifold installation at three drill centres; diverless tie-ins to pipelines and manifolds; and pipeline flooding, hydro testing and leak testing.

Technip further leveraged its unique vertical position with the award of a substantial subsea contract with Chevron Indonesia for the Bangka Development, located offshore Indonesia. The contract covers engineering, procurement, construction, installation, commissioning and pre commissioning of flexibles, umbilical, and subsea structures. Technip will fabricate the flexible pipes at its Asiaflex Products plant in Tanjung Langsat, Johor, Malaysia; manufacture the umbilical at Technip Umbilicals' facility in Texas, USA; and mobilize the *Deep Orient*, its multipurpose installation and construction vessel, for the installation phase of the project.

Seeking to further optimize its Subsea Assets, Technip signed an agreement to sell 100% of its North American diving assets to Ranger Offshore Inc., and such sale was closed by end of the year. Technip's strategy focuses on high technology and ultra-deep water products and services. As part of this transaction, Technip and Ranger Offshore have entered into a multiyear Diving Services Agreements covering Technip's North America Region.

In November, Technip announced an €68 million investment over four years to modernize its flexible pipe manufacturing plant, Flexi France, in Le Trait, France as part of Technip's technological innovation and differentiation strategy.

In November, Technip secured a five-year framework agreement with Petronas Carigali for Engineering, Procurement, Construction & Installation (EPCI) or supply-only of flexible pipes for PCSB's projects in Malaysia. Asiaflex Products Sdn Bhd, Technip's flexible pipe manufacturing plant located in Johor, Malaysia, will execute the framework agreement and manage both the experienced project teams in Kuala Lumpur and the regionally-dedicated construction vessel, *Deep Orient*, giving Petronas a unique one stop solutions for cost-effective green and brownfield developments.

Later in November, Technip was awarded a subsea contract by Anadarko Petroleum Corporation for the K2 project in the Gulf of Mexico. This contract covers project management and engineering; design, fabrication, and installation of two pipeline end manifolds (PLEMs) and four pipeline end termination (PLETs); installation of flowline, jumpers and associated terminations and hardware; installation of one free issued dynamic umbilical with Subsea Umbilical Termination Assembly (SUTA) and flying leads; and pre-commissioning of the flowline and umbilical gas lift system.

Another win in the Americas in November was a contract to supply high technological flexible pipes for the Tupi BV Iracema North pre-salt field for Petrobras in Brazil. The supply of 114 kilometres of highly technological flexible pipes, including gas lift, gas injection and gas export lines, for sour service application, at water depths of up to 2,500 meters and high pressures to inject gas in the reservoir for service life up to 30 years. This award confirms the flexible pipe as a reliable and optimized solution for the challenging pre-salt applications and Technip's technological leadership in this business.

Finishing the month, Technip signed an important lump sum contract with Statoil ASA for the Gullfaks Rimfaksdalen (GRD) Marine Operations Pipelay and Subsea Installation project. The scope consists of a subsea tie-back to a new Wye piece on an existing pipeline close to the *Gullfaks A* platform. The GRD template will be located 190 kilometres Northwest of Bergen, Norway.

Onshore/Offshore

In February, Technip was awarded a contract by Abu Dhabi Marine Operating Company (ADMA-OPCO) for project management consultancy (PMC) services for the engineering, procurement and construction (EPC) phases of the Zakum Oil Lines Replacement Project-Phase 1 notably to replace aging oil pipelines to enhance integrity assessment and sustain oil production.

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

The early part of 2014 also brought a contract with Open Joint Stock Company Kazanorgsintez to provide technology and services for a grassroots furnace in Kazan, Republic of Tatarstan, Russia. The project consists of the engineering and procurement of an SMK™ double-cell cracking furnace. The project follows the successful start-up and operation of a Technip SMK™ double-cell cracking furnace supplied in 2007. The furnaces are part of the ethylene plant at the site, with the output used as feedstock for other downstream units.

Technip reinforced its presence in Brunei with a significant contract awarded by Total E&P Borneo B.V. covering engineering, procurement, supply, construction and commissioning (EPSCC) to modify onshore facilities and build a new onshore pipeline to transport Maharaja Lela & Jamalulalam South (MJLS) gas to the Brunei Liquefied Natural Gas plant. The onshore modification work includes de-bottlenecking of the processing plant to enable handling of up to 5 million cubic meters per day (annual average) from the greater MLJ field, and associated assistance in start-up and performance test.

Technip is committed to the development of innovative, sustainable solutions for our customers including the carbon capture and sequestration value chain which was broadened with the award 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. This 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's operating centre in Milton Keynes, UK, which executed a pre-FEED study for the Peterhead CCS project in 2012, will execute the FEED for this next phase.

In April, a partnership between Technip and China HuanQiu Contracting & Engineering Corporation was awarded a front-end engineering design contract by Basra Gas Company for the Ar Ratawi Natural Gas Liquids (NGL) train-1 project at North Rumaila in Basra Province, Iraq. The greenfield-associated gas processing facilities will significantly minimize gas flaring and provide more energy resources available for power and domestic use. The scope of work covers the basic engineering design package of the NGL process units, utilities and the submission of an engineering procurement and construction (EPC) package.

Also in April, Technip strengthened its leading position in providing fermentation ethanol production technology by winning a contract comprising detailed engineering, procurement and construction for the core process units of Cargill's new ethanol production plant located in Barby, Germany. The ethanol is destined for beverages, cosmetics and pharmaceutical industry. The new plant will consist of a fermentation unit and a distillation/rectification unit. After completion of the construction works, Technip will also assist with the start-up and performance testing of the new units.

In May, Technip confirmed that, with its partners, it had finalized the award of a very major contract by JSC Yamal LNG for a liquefied natural gas (LNG) facility with a capacity of 16.5 million tons per year (Mt/y). This award follows on over a year of early detailed design and procurement activities for the three liquefaction trains of 5.5 Mt/y, which will make extensive use of modularized construction in yards, notably in Asia.

In China, Technip further built upon up its strong expertise in natural gas liquefaction to win an engineering, procurement and technical assistance contract by Fengzhen Wanjie Gas Co. Ltd. for a liquefied natural gas (LNG) plant in Fengzhen City, Inner Mongolia Province, China. The plant will consist of a 1.3 million Nm^3/day LNG train (0.35 Mtpa) and a 0.3 million Nm^3/day Compressed Natural Gas (CNG) station. The contract covers basic engineering design (BED) of the process plant; BED and detailed engineering design of an LNG tank; and procurement of key equipment.

The summer was marked by two contract wins in Asia. Firstly, Technip led a joint venture with Fluor to bring in a substantial Program Management Consultancy (PMC) contract with Petronas for the Refinery and Petrochemical Integrated Development (RAPID) project located in Johor, Malaysia. The PMC contract will include overall project and site management of the RAPID project, and provision of Project Management Services for specific EPCC packages throughout the pre-award, engineering and procurement, construction and commissioning, warranty management and close-out phases.

Petronas' RAPID project is a world-scale integrated refinery and petrochemical complex aiming to answer the growing need for differentiated and specialty chemicals, and to meet future demand for petroleum and commodity petrochemical products in the Asia Pacific region.

Secondly, a consortium consisting of Technip and PT Wijaya Karya (Persero) Tbk (WIKA) secured an onshore lump sum contract with PT Pertamina EP for the Matindok Gas Development project located in Central Sulawesi, Indonesia. The contract covers the engineering, procurement, construction and installation of gas well pads, flowlines, and pipelines; a central processing plant with gas treatment facilities such as acid gas removal and sulphur removal; and related infrastructure.

Through Technip's global hydrogen alliance with Air Products, Technip was awarded in September a contract to provide project management, engineering, procurement and construction management services for a new industrial gas complex for Bharat Petroleum – Kochi Refinery (BPCL-KR) located in the state of Kerala, India. Being built on a "Build-Own-Operate" basis, the Air Products industrial gas complex is designed to cater to the industrial gas needs (Hydrogen, Nitrogen and Oxygen) of BPCL-KR for its Integrated Refinery Expansion Project (IREP), which will increase BPCL-KR's crude refining capacity and produce clean transportation fuels to meet Euro IV/V specifications.

Also in September, a substantial EPIC lump sum contract with BP Trinidad and Tobago LLC for the offshore development of the *Juniper* project, to be located off the South East coast of Trinidad. Leveraging Technip's unique combination of complementary assets, technologies and capabilities, this project offers comprehensive platform and subsea design as well as detailed engineering solutions. Technip was engaged early with the client to design a cost-effective project execution plan with integrated solutions though to development, including detailed engineering, procurement, construction, load out and mechanical completion of 3,900 short ton topsides that can process 590 million standard cubic feet per day (MMSCFD) of gas, and a 5,534 short ton jacket that will be performed in Trinidad with a local fabricator. Additionally, for this project Technip will provide the design, detailed engineering, procurement, fabrication, transport, installation and pre-commissioning of flexible flowlines; a concrete coated rigid subsea pipeline; an extensive diving campaign to support the client's LNG train and field turnaround; and large number of subsea structures and tie-in spools. Furthermore, Technip will transport and install client-supplied umbilicals, trees and flying leads.

In the Middle East, autumn brought a significant contract awarded on a reimbursable basis by the Bahrain Petroleum Company (BAPCO) to develop the Front-End Engineering Design (FEED) of the refinery located in the Kingdom of Bahrain. The FEED contract covers four main work packages that include units aimed at processing the "bottom of the barrel" components of high-value products, and all associated offsites and utilities to provide seamless integration with existing refinery facilities earmarked for retention following this major modernization.

In October, a joint venture between Technip and Fluor was awarded an engineering, procurement and construction management contract by PRPC Utilities and Facilities Sdn. Bhd. for the Petronas Refinery and Petrochemical Integrated Development (RAPID) project located in Johor, Malaysia. Under this contract, the joint venture will be responsible for the utilities, interconnecting and offsites (UIO) scope of work including the Pengerang co-generation plant, liquefied natural gas (LNG) re-gasification terminal, air separation unit, the raw water supply project, and ancillary facilities. RAPID will consist of a 300,000-barrels-per-day refinery and petrochemical complex with a combined capacity of producing 7.7 million metric tons per year of various grades of products, including differentiated and specialty chemicals products.

Technip and Fluor teamed up again to win an engineering, procurement, and construction management (EP&CM) contract by Sasol for its world-scale ethane cracker and derivatives complex near Lake Charles, Louisiana, USA. Under the contract, the joint venture will be responsible for a 1.5 million-tons-per-year ethane cracker, downstream derivatives units and associated utilities, offsites and infrastructure work. The contract covers the overall project management, detailed engineering, procurement and construction management, and start-up, commissioning and performance testing support to Sasol operations.

Building on this win, Technip was awarded a contract by Sasol to provide engineering and procurement for eight proprietary Ultra Selective Conversion (USC®) furnaces for the world-scale ethane cracker and derivatives complex. This follows on the selection of Technip's ethylene technology during the early stage of this project that was expanded to supply the most critical part of the cracker, the furnaces.

In November, Technip entered into another contract in the United-States when it was chosen to supply its proprietary ethylene technology and process design package (PDP) for a world-class grassroots ethane cracker for the proposed ASCENT (Appalachian Shale Cracker Enterprise) petrochemical complex currently being evaluated by Odebrecht and Braskem in Parkersburg, West Virginia. Using ethane from shale gas, this cracker will produce ethylene to be used in polyethylene plants.

To bolster Technip's position in market-leading biofuels technologies it announced an alliance with Biochemtex to achieve industry-leading capital productivity, the highest standards of Health, Safety and Environment (HSE), operability, accelerated technological innovation, project execution-related developments and reduced project cycle times.

Biochemtex is the majority shareholder of Beta Renewables, the world's leading second generation bioethanol technology (PROESA), which is the world's leading process for converting cellulosic feeds not competing with the food industry into petroleum products. The second-generation bioethanol product will help meet future regulatory specifications. This technology is becoming increasingly important. Additionally, it offers a new way of processing non-food biomasses that had been unusable in fermentation processes.

In the Offshore business, Technip was awarded a contract by Abu Dhabi Marine Operating Company (ADMA-OPCO) for project management consultancy (PMC) services for the engineering, procurement and construction (EPC) works of the *Nasr Phase II Full Field Development* project – Packages 1, 2 & 3. The scope of work covers the overall management of the EPC phases under execution in United Arab Emirates, Singapore and South Korea. Technip PMC will execute the project.

Regarding the projects in the Onshore activities in the United-States, Technip was awarded a contract by Westlake Chemical Corporation to provide detailed engineering and procurement services to expand the recovery section of Westlake's Petro 1 ethylene plant at its complex in Sulphur, Louisiana. This award follows a series of Technip feasibility studies to help Westlake evaluate expansion options and development of the process design package and front end engineering design for the expansion.

The year 2014 wrapped up with Technip landing an approximately €100 million contract with Oil and Natural Gas Corporation Limited (ONGC) to build a 6 Million Standard Cubic Meters per Day onshore terminal at Odalarevu in Andhra Pradesh, India, as part of the Integrated Development of Vashishta (VA) & S1 fields. Technip's scope of work for this Engineering, Procurement, Construction and Commissioning (EPCC) contract includes basic design, detailed engineering, procurement, fabrication, inspection and testing, installation, pre-commissioning and commissioning of the new onshore terminal facilities, which will be integrated into the existing terminal.

The hydrocarbons extracted from VA and S1 deep water offshore fields will be transported to the proposed onshore oil and gas terminal for processing. The facility consists of a slug catcher for well fluid separation, gas compressors, high integrity pressure protection system, glycol dehydration, dew point control, mono ethylene glycol regeneration and gas metering system. It also includes utilities and off-sites such as air compression, nitrogen generation, flare system, storage tanks and diesel generators.

Corporate

Technip signed an agreement to sell its Technip TPS (TPS) subsidiary, which specializes in engineering and construction for industry, to WSP. Based in Paris with offices in Lyon, Toulouse and Abu Dhabi, TPS brings together all the necessary skills to devise and realize outstanding private and public projects: structures, thermal engineering, electrical engineering, sub-trade, exterior fittings, etc. TPS holds an impressive achievement track record, most notably working on *Bibliothèque nationale de France*, Renault's *Technocentre* and Airbus' A380 assembly plant. This sale is in line with Technip's strategy of focusing on energy, its core business. It will also enable TPS to better tackle its operational challenges and to carry on its growth as part of WSP, one of the world's leading professional services firms with a strong expertise in the building sector.

In April, Technip announced that it had entered into binding agreement for the divestment of a majority stake in Seamec Limited to HAL Offshore Limited, India, at a consideration of 97 Indian rupees per share. This divestment paves the way for the development of both Seamec and HAL, and furthers Technip's strategy of concentrating on its core competencies.

Further strengthening Technip's expertise and industrial capabilities at the site will reinforce its global position in the production of flexible pipes for the development of increasingly complex offshore oil and gas fields.

This modernization plan focuses on the installation of new-generation machines and site optimization to fit 12-meter diameter reels, on which flexible pipes are spooled. Increasing the reel capacity from 9.6 to 12 meters in diameter will provide room for twice as many flexible pipes on each reel. Technip's investment will also create a new area dedicated to testing the world's most sophisticated flexible pipes, building on its decades of accumulated R&D and product know-how.

In December, Technip announced that it had entered into an agreement with Air Liquide Global E&C Solutions Germany to purchase all of its Zimmer® polymer technology business. Based in Frankfurt, Germany, the business includes technologies for the processing of polyesters and polyamides, research and development facilities, and a team of around 40 skilled engineers, researchers and project teams.

The new polymers business will further diversify and strengthen Technip's portfolio of downstream technologies for the petrochemicals industries and reinforce relationships with clients and partners worldwide, backed by the Zimmer recognized expertise.

Zimmer will be integrated into Technip Stone & Webster Process Technology, the Onshore global business unit formed in 2012 to manage its expanding portfolio of downstream process technologies.

6.1.2. MAJOR ACQUISITIONS AND DIVESTMENTS IN 2014

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 2014, Technip completed the following main transactions:

- On April 30, 2014, Technip sold the totality of its fully owned subsidiary Technip TPS, specialized in engineering and construction for the industry, to the WSP Group (WSP is one of the world's leading professional services firms).
- On June 3, 2014, September 26, 2014 then on December 4, 2014, Technip sold the totality of its 75% of investment in Seamec to HAL Offshore Limited, India at a consideration of 97 Indian rupees per share (translating to a total amount of €31.4 million as of December 31, 2014). Seamec Limited and its 100% subsidiary Seamec International FZE are not anymore consolidated in Technip Group accounts as of December 31, 2014.
- On December 30, 2014, Technip acquired the technology Zimmer®. Based in Frankfurt, Germany, Technip Zimmer GmbH constitutes the new polymers technology business of Technip. This activity is integrated through Technip Stone & Webster Process Technology, the Onshore global business unit formed in 2012 to manage the Company's expanding portfolio of downstream process technologies.

  Technip Zimmer GmbH's business includes technologies for the processing of polyesters and polyamides, research and development facilities, and a team of around forty skilled engineers, researchers and project teams.

  The new polymers business will diversify and strengthen Technip's portfolio of downstream technologies in its Onshore business.

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

The information presented below is taken from Technip's 2015 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 2015

Technip has been awarded by Stone Energy Corporation both a flexible pipe supply contract and an installation contract for the Amethyst field, located on Mississippi Canyon 26, in the Gulf of Mexico.

The first contract includes the detailed engineering, procurement, fabrication, assembly and testing of a 5-inch production static riser (almost 9 kilometres long) as well as all associated hardware.

The second award covers the installation of the pipe as a tieback to the *Pompano* fixed platform, in approximately 395 meters of water depth.

The Group will leverage its unique vertical position in the subsea business. The flexible pipe will be manufactured at the Group's Asiaflex Products plant located in Tanjung Langsat, Malaysia. It will be installed using the *Deep Blue,* Technip's deepwater pipelay vessel.

February 2015

- Technip was awarded a contract by Qingdao Soda Ash Industrial New Material & Technology Company to provide the technology, engineering, selected critical equipment and technical services for a 500 kilo-ton per annum ethylbenzene styrene monomer (EBSM) plant to be located in Dongjiakou Port Industrial Zone Park, Qingdao City, Shandong Province, People's Republic of China. The plant's products will be used for manufacturing a broad range of plastics.
- Technip was awarded by Duslo a.s. a substantial contract on lumpsum turnkey basis to develop the engineering, procurement and construction (EPC) of a new ammonia production unit in the existing fertilizer complex located in Sal'a, Slovak Republic.

  Based on Haldor Topsoe (a world leader in catalysis and surface science) last generation technology, the new unit will have a capacity of 1,600 tons per day of ammonia. It will incorporate the most advanced engineering and technological solutions for minimum energy consumption and reduction of pollutants emissions.
- Building on the previous award by Total E&P UK of the contract for the Edradour Subsea Development, located approximately 75 km North West of Shetlands in the UK waters, Technip has been awarded an additional scope for the parallel development of the Glenlivet field located nearby.

  The Group will leverage its unique vertical position in the subsea business:
  - Technip's operating centre in Oslo, Norway, will execute the project in full synergy with the previously awarded Edradour project.
  - Vessels from the Group fleet will perform the installation in the summer seasons of 2016 and 2017.
  - The pipelines will be fabricated at Technip's spool base at Evanton, UK, and installed by Technip's vessel *Deep Energy.*
  - Umbilicals will be manufactured at the new Technip umbilicals facility in Newcastle, UK.

March 2015

- Technip was awarded a major contract (*i.e.* above €500 million) from Tupi BV, a consortium composed of Petrobras Netherland BV (PNBV, 65%), BG (25%) and Galp (10%), for the ongoing development of the Lula Alto field, located in the Santos Basin pre-salt area, Brazil.

  This contract covers the supply of around 200 kilometres of flexible pipes and associated equipment, including gas lift, gas and water injection, gas export and production lines. These high technological flexible pipes are designed to meet pre-salt challenges with water depths of up to 2,500 meters and high pressures.

6.2. Group Business Environment

6.2.1. MARKET ENVIRONMENT

In 2014, investment by oil companies in the upstream sector experienced another year of growth and increased by 6% globally, according to the Barclays study "Global 2015 E&P Spending Outlook" that surveyed more than 300 oil companies worldwide.

In 2014, the downstream sector capital expenditures were overall flat compared to 2013 and remained at a high level. The downstream sector was driven by gas monetization segment: LNG, petrochemicals and fertilizers. North America was the most dynamic region due to low gas price and large spreads compared to European and Asian gas prices. Refining market was mostly driven by local needs in emerging countries (Asia, North Africa, Middle East).

In 2014, Brent oil prices have collapsed from USD115/barrel in June to USD60/barrel at the end of December. This sharp decline was caused by oil oversupply, mostly due to US shale oil production increase, OPEC inertia to regulate the supply and a slightly deteriorated economic outlook, notably fear over China GDP growth. 2013 delays and cancelations in a number of final investment decisions by major oil and gas companies have continued in 2014. Currently, national oil companies have the highest capital expenditures. Short-term exploration and production outlook have been considerably shadowed by low oil prices and the upstream sector could experience its first investment decrease since 2009.

In both the medium-term and long-term, Technip's growth drivers remain robust, supported by solid global demand for oil and gas. International Energy Agency (IEA) estimated that gas will be the fastest growing fossil fuel in the coming years and that global oil demand will reach 104 Mb/d in 2040 from 90 Mb/d in 2013. 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.

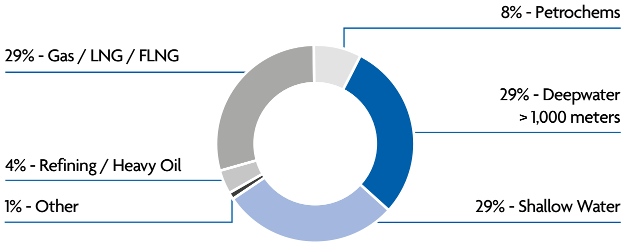
Technip services offering goes from early conceptual studies to EPC(I) for projects in shallow water (conventional sub-structures and self-installing platforms such as the TPG 500) and for deepwater facilities (including Spar, semi-submersible, TLP, FPSO and FLNG units). The Group is also a world leader 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.

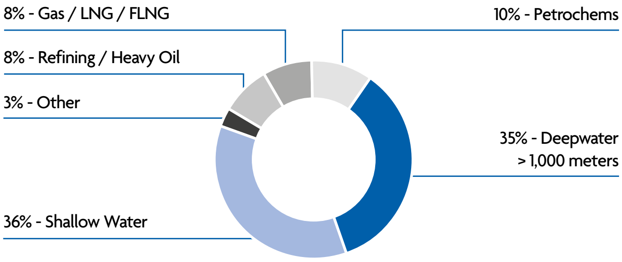
Technip adjusted revenues by business segment

In millions of Euro	2014	2013
Subsea	4,880.4	4,065.0
Onshore/Offshore	5,844.1	5,220.1
TOTAL	**10,724.5**	**9,285.1**

Technip backlog as of December 31, 2014



Technip backlog as of December 31, 2013



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, notably).

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 2014:

- Europe, Russia and Central Asia: 31% of Technip's adjusted revenues and 42% of its backlog;
- Africa: 11% and 21%, respectively;
- Middle East: 11% and 6%, respectively;
- Asia Pacific: 18% and 12%, respectively; and
- Americas: 29% and 19%, respectively.

6.3. Description of Project Strategy

Projects are increasingly ambitious, complex and performed in all the more 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 its current focus is to continue to develop its geographic presence and optimize Project execution capabilities.

Technip's Regions and 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 specific thresholds, with decisions below these thresholds made by the Regions or the Business Units, as applicable.

To manage inherent business risk, Technip's approach is to monitor 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 strike a balance in its Project portfolio across business segments and technologies and to develop strategies on Projects focusing on risk-sharing partnerships.

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 offers its clients "cost plus fee" contracts rather than lump-sum contracts 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 enters into 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 including 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 strives to maintain a balance in its backlog by business segment between the Subsea segment on the one hand, and the Onshore/Offshore segment on the other, to limit 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 the client's requirements and needs, respective expertise of each member of the association, and interfaces. In general, 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

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

To achieve an optimized "Risk/Reward" profile satisfying the Group's critera, 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, 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, a Region, or a Business Unit, as applicable, 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, a Region, or a Business Unit, as applicable, will decide the terms and conditions 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 agreed 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, a Region, or a Business Unit, as applicable, during an ATC meeting.

6.3.3. CONTRACTUAL SCHEMES

"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 is 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 the current 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 are 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 in the two following business segments: Subsea, and Onshore/Offshore (see Section 9.2 of this Reference Document for a breakdown of revenues by geographic region). Since 2012, 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 the one hand, and the Onshore/Offshore segment, on the other. 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

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

The Group is considered as one of the world leaders in the Subsea construction sector. Due 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 2014, the Subsea segment generated adjusted revenues of €4,880.4 million, representing 46% of the Group's adjusted consolidated revenues (see Section 9.4 of this Reference Document for a description of the Subsea segment's adjusted operating income).

Services for Subsea Oil Fields

An 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 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 scope with a long-term charter agreement entered into with North Sea Shipping for the new-built *North Sea* Atlantic. She has been delivered during the third quarter of 2014, and has successfully completed her first project. Designed and built to meet the needs of the construction industry in Norway, this advanced subsea construction vessel is equipped with a 550-ton active heave compensation crane working up to a depth of 3,000 meters, also 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 first quarter of 2014, Technip was awarded a long-term charter agreement by Statoil for the *North Sea Giant*. The vessel is amongst the largest and most advanced offshore construction vessels ever built and will be fitted with a purpose-built Special Handling System in 2015 for installation and recovery of heavy subsea compression modules (up to 400 tons) in adverse sea conditions. She is committed by Statoil to perform construction, inspection, maintenance and repair work for the Åsgard field, in addition to other licenses in Statoil's portfolio on the Norwegian continental shelf.

Further expanding its world class construction vessel fleet, Technip and DOF have entered into a time charter agreement for the new-built *Skandi Africa,* to start during third quarter 2015 when the vessel is delivered from the yard. The *Skandi Africa* is a dynamic positioning (DP3) vessel designed for harsh environment, deepwater subsea heavy construction and flexlay operations down to ultra-deep waters of 3,000 m depth. She will be the most advanced heavy construction vessel in the market, fully equipped with a 900-ton active-heave compensated main crane, 650-ton capacity Tiltable Lay System, large 2,700 m^2 deck area, under-deck storage capacity of 3,500 Te and two work-class ROVs rated for 4,000 m water depth.

In April 2014, continuing to demonstrate its long-term commitment to the subsea industry, Technip confirmed its investment in a new-built top class Diving Support Vessel, to be built by Vard. This new build DP3 class diving support vessel is purpose-designed for the demanding North Sea Canada market and will be known as the *Deep Explorer.* She will be capable of working throughout the year in extreme weather conditions. At delivery, the *Deep Explorer* will be the most advanced DSV in the world, supporting a 24-man diving chamber complex. With a large deck area, working moonpool, offshore cranes and work-class ROVs, the *Deep Explorer* is also capable of a wide variety of diverless construction activities. The vessel is due for delivery in 2016.

Flexible Pipe Supply

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

- its engineering centres 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 Açu and 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 onto a vessel operated by the client.

Since 2014, the One Manufacturing, an initiative aiming to share the same culture and strategy among the Group's four flexible pipe plants, has been officially operational. The international and multi-disciplinary team in charge of this mission develops projects with a common goal: produce flexible pipes with the same level of excellence, whether they are manufactured in Brazil, France or Malaysia.

In March 2014, Technip launched Flexibrás Açu, its second flexible pipe manufacturing facility in Brazil, at the Açu Port in Rio de Janeiro. Flexibrás Açu is the world's most modern flexible pipes facility, designed to supply pre-salt oil market demands for pipelines with bigger diameters and more resistant materials. In October 2014, the first commercial flexible lines were delivered from Flexibrás Açu.

In October 2014, Thierry Pilenko announced an investment over four years to upgrade Flexi France, the French flexible pipes manufacturing plant. The upgrade program has been supported by the One Manufacturing team to ensure consistency between Technip's four flexible pipes plants around the world. The announced €68 million investment is part of Technip's innovation and differentiation strategy focusing on technology as an optimization driver for its clients.

Umbilical Supply

Technip Umbilicals, a Technip subsidiary, responds to calls for tender issued by different types of clients such as oil companies, EPCI contractors, subsea production system manufacturers, and turnkey projects using its engineering expertise and substantial business experience. In this respect, Technip Umbilicals relies upon the engineering centres in Newcastle (UK) and Houston (USA) and the thermoplastic, steel tube, hybrid (a combination of steel tube, thermoplastic hose and electrical cables) and power cable umbilical 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. Since 2012, Technip has been operating four vessels in long-term charter for Petrobras: the *Sunrise 2000,* with the capacity to lay three lines simultaneously, the *Skandi Vitória,* the *Deep Constructor* and the *Skandi Niterói,* all three fitted with both a vertical and horizontal laying system.

In the fourth quarter of 2014, the joint venture formed by Technip (50%) and Odebrecht Oil & Gas (OOG, 50%) started operating two additional flexible pipeline installation vessels for Petrobras, the *Coral do Atlantico* and the *Estrela do Mar*. The twin vessels are characterized by their high pipelay tension capacity of 550 tons. They will principally be 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 addition, the construction of the four new pipelay support vessels (PLSVs), awarded by Petrobras in 2013 to the Technip (50%) and DOF (50%) joint venture, has started. The four PLSVs will operate in Brazilian waters installing flexible pipes. *Skandi Olinda, Skandi Recife* will have a 300-ton laying tension capacity and are built in Brazil with a high national content. *Skandi Açu* and *Skandi Buzios* are 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 *Global 1200* and the *Global 1201*. Support is provided by the spoolbases located in Mobile (United States), Dande (Angola), Evanton (United Kingdom) and Orkanger (Norway). Flexible pipes and other subsea infrastructures are installed with offshore construction vessels, diving support vessels and multi-support 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 feature of 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 model (Engineering, Procurement, Installation, Commissioning, Operation and Maintenance) 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 designs and builds infrastructures related to these activities, in particular hydrogen production units, electricity units and sulphur recovery units, as well as storage units.

In 2014, the Onshore/Offshore business segment had adjusted revenues of €5,844.1 million, representing 54% of the Group's adjusted consolidated revenues (see Section 9.4 of this Reference Document for a description of Onshore/Offshore adjusted operating income).

Onshore

Technip's Onshore activity covers all types of onshore facilities related to the production, treatment and transportation of oil and gas, as well as transformation with petrochemicals such as ethylene, polymers and fertilizers.

Technip has strong expertise all across the construction or revamping of onshore facilities, including conceptual and feasibility studies, front-end engineering, detailed engineering, project management consulting, procurement, construction, commissioning, start-up and operations through to final completion.

Technip relies on unique technological know-how for process design and engineering, either through the integration of technologies from best-in-class alliance partners or relying upon Technip's proprietary technologies.

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.

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.

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, ranging from feasibility studies up to the construction of entire industrial complexes under a turnkey contract. The majority of business conducted pertains to the liquefaction of methane. In the field of liquefied natural gas (LNG), Technip is a world leader and 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 has unique expertise in extracting sulphur from natural gas, as well as highly efficient extraction of C_2 and C_3 hydrocarbons due to its Cryomax technology.

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, which contributed to the strengthening of the Group's leadership in the ethylene sector.

Petrochemicals and fertilizers

Due to its solid experience and to an established cooperation with leading technology providers in the petrochemicals and in the fertilizers sectors, Technip is well recognized on these markets. Technip holds some proprietary technologies and acquired, end of 2014, Zimmer polymer technology business from Air Liquide.

Hydrogen

Technip is a major actor in the design and construction of hydrogen and synthesis gas production units, as well as sulphur recovery units for the refining, petrochemical and chemical industries. Technip holds proprietary technologies and since 1992, it has been participating in a worldwide alliance with Air Products notably, to supply high-purity hydrogen to the refining and other industries. High-purity hydrogen allows conversion of heavy crude oil into low-sulphur fuels that meet the most stringent environmental standards.

Non-oil and gas activities

Technip offers its engineering and construction services to industrial customers, including mining and metal companies, and also benefits from a strong expertise 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.

Offshore

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

Technip is also renowned worldwide 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 offer a portfolio with a complete range of solutions due to the award of the Malikai TLP (Tension Leg Platform) 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 *(Global 1200* and *Global 1201),* the Group is nevertheless present on this market due to its Unideck™ technology.

Fixed Production Units

2014 was a year of consolidation for Technip, as its teams successfully passed several milestones during ongoing projects. In addition to the delivery of the *Valemon* topsides (Statoil, Norway) and the installation of the jacket for the Hejre project (DONG Energy, Denmark), the Group and its partners have begun the construction of the projects Umm Lulu (Adma Opco, UAE), SK 316 (Petronas, Malaysia) and Martin Linge (Total, Norway).

Technip also won the EPC contract for the Juniper Project, for BP, offshore Trinidad & Tobago.

Floating Production Units

In 2014, Technip delivered the *Heidelberg* Spar to Anadarko, the 17th designed by the Group, and the 14th built in the Group's shipyard at Pori, Finland.

As for floating production storage and offloading units (FPSOs), Technip has continued the execution of its Projects Ichthys (DSME for INPEX, Australia) and Cessao Onarosa (Petrobras, Brazil). The Group was awarded the engineering contract for the Extended Well Test unit (EWT FPSO) for the giant Libra field operated by Petrobras, Brazil.

Technip took the opportunity to strengthen its position within the TLP market, due to a collaboration with COOEC (China Offshore Oil Engineering Corporation, a subsidiary of CNOOC, China's National Offshore Oil Corporation), for the studies on two TLPs for the Liuhua field (Liuhua 16-2 & Liuhua 11-1).

Floating Liquefied Natural Gas

In 2014, Technip and its partners continued the construction of the Prelude FLNG (Shell, Australia) and Petronas FLNG 1 (Petronas, Malaysia), with first modules being lifted on both hulls.

6.5. Suppliers

Projects managed by Technip as well as Technip's businesses require the use of numerous raw materials, parts and equipment. Technip sets up a competitive bid process when purchasing equipment from suppliers 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 2014, Air Products, Emerson, General Electric, Siemens and Yokogawa, were among the Group's main suppliers.

In 2014, 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 and Tenaris.

In 2014, raw materials prices were stable overall, with the price of certain materials, such as steel, decreasing. During 2014, there was no shortage of strategic raw materials or equipment for Technip resulting from the impact of market conditions on suppliers.

6.6. Environment [(1)]

The 20th session of the Conference of the Parties to the United Nations (UN) Framework Convention on Climate Change was held in Lima on December 1-14, 2014 (COP20). It was a key step towards reaching a universal climate agreement in Paris in December 2015 (COP21). In 2015, the objective is to achieve, for the first time in over 20 years of UN negotiations, a new legally binding and universal treaty to be implemented on climate, from all the nations of the world, following the expiration of the Kyoto Protocol in 2020. The challenge is to cut greenhouse gas emissions and reduce the impact of global warming to limiting the global temperature increase to two degrees Celsius above pre-industrial levels.

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 activities and initiatives developed in 2014 within the Group, are described in paragraph 4 of the Society and Environment Report in Annex E of this Reference Document.

Environmental Reporting

Technip strives to reduce the impact of its operations on the environment. To collect data and analyze the Group's environmental performance trends, Technip utilizes a global environmental reporting database. The information reported is based on site data collected from the different Group entities and operations under Technip's management or operational control.

Additional information on the methodology, scope and coverage of the Group's environmental reporting is provided in paragraph 4.2.1 of the Society and Environment Report in Annex E of this Reference Document. The Group's results in terms of environmental performance are presented in paragraph 4.2 of the Society and Environment Report in Annex E of this Reference Document.

6.6.1. CONSUMPTION OF WATER RESOURCES

See Section 4.2.3 of Annex E to this Reference Document.

6.6.2. CONSUMPTION OF RAW MATERIALS, ENERGY USE AND EFFICIENCY

See Sections 4.2.2 and 4.2.6 of Annex E to this Reference Document.

6.6.3. GREENHOUSE GAS EMISSIONS (GGE)

See Section 4.2.2 of Annex E to this Reference Document.

6.6.4. WASTE MANAGEMENT

See Section 4.2.3 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).

6.6.5. NOISE AND OLFACTORY POLLUTION

See Section 4.2.6 of Annex E to this Reference Document.

6.6.6. BIODIVERSITY PROTECTION

See Section 4.2.5 of Annex E to this Reference Document.

6.6.7. LEGAL AND REGULATORY COMPLIANCE

See Section 4.1.4 of Annex E to this Reference Document.

6.6.8. ENVIRONMENTAL CERTIFICATION POLICY AND PROCESS

See Section 4.1.5 of Annex E to this Reference Document.

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

See Section 4.2.7 of Annex E to this Reference Document.

6.6.10. HEALTH, SAFETY AND ENVIRONMENT ORGANIZATION

See Section 4.1.3 of Annex E to this Reference Document.

6.6.11. ENVIRONMENTAL PROVISIONS AND INDEMNITIES – COMPENSATION PAID DURING THE FINANCIAL YEAR ENDED DECEMBER 31, 2014 RESULTING FROM COURT DECISIONS ON ENVIRONMENTAL ISSUES IMPOSING SUBSEQUENT ACTION TO REMEDY DAMAGE

See Section 4.1.6 of Annex E to this Reference Document.

6.6.12. TARGETS ASSIGNED TO SUBSIDIARIES OUTSIDE FRANCE

See Section 4.1.1 of Annex E to this Reference Document.

7 Organizational Structure

7.1 Simplified Group Organizational Structure as of December 31, 2014

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 relating to insurance and guarantees provided.

The Company's revenues are, to a large extent, attributable to it its subsidiaries.

In addition, Technip Corporate Services (TCS), an entity 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, Legal, Product Lines, Communication, Security and IT.

7.2 Subsidiaries and Investments

The subsidiaries manage and perform the Group's obligations under its 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, 2014, 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 engineering, technology and project construction, with consolidated experience in the design and implementation of large plants in all sectors of the oil and gas industry. It has the ability to develop large projects in several industries. It is active in the Onshore/Offshore segment. As of December 31, 2014, 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 the subsea segment and develops 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, 2014, 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 of the Group's segments (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 plants, petrochemicals and selected non-hydrocarbon projects. As of December 31, 2014, the Group held 30% of the ordinary shares and 30% voting rights in this company.

- Flexibras Tubos Flexiveis 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 of 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, 2014, the Group held 100% of this company's share capital.
- Technip USA, Inc., a US company, located at 11740 Katy Freeway, Suite 100, Houston, Texas 77079 (United States). It is active in the Subsea and Onshore/Offshore segments, most notably, in the construction of Spars. As of December 31, 2014, 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 owns many of the Group's vessels. As of December 31, 2014, 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, 2014:

Consolidated figures (except dividends) In millions of Euro	Technip France	Technip Italy	Technip UK	Technip Geoproduction (M)	Flexibras Tubos Flexiveis	Technip USA, Inc.	Technip Marine BV
Revenues	2,682.8	432.9	1,122.7	392.4	428.9	1,300.1	-
Fixed Assets (not including Goodwill)	36.6	23.8	694.3	11.9	285.5	57.2	398.1
Financial Debts (out of the Group)	-	-	-	-	463.8	2.0	-
Cash and Cash Equivalent	952.5	336.2	(113.3)	99.8	90.2	582.3	77.5
Dividends Paid during the Year to Technip SA	47.0	80.0	-	-	-	-	-
Amount Invoiced by Technip SA during the Year	93.5	11.7	23.4	6.6	1.5	19.8	-

The most significant acquisitions in 2014 are mentioned in the Note 2 (a) "Major Acquisitions" in Section 20.1 of this Reference Document.

On December 30, 2014, Technip acquired the technology Zimmer®. Based in Frankfurt, Germany, Technip Zimmer GmbH constitutes the new polymers technology business of Technip. This activity is integrated through Technip Stone & Webster Process Technology, the Onshore global business unit formed in 2012 to manage the Company's expanding portfolio of downstream process technologies.

Technip Zimmer GmbH's business includes technologies for the processing of polyesters and polyamides, research and development facilities, and a team of around 40 skilled engineers, researchers and project teams.

The new polymers business will diversify and strengthen Technip's portfolio of downstream technologies in its Onshore segment.

The List of Subsidiaries presented in Note 7 of the Company's Statutory Accounts as of December 31, 2014 is included in Section 20.2 of this Reference Document.

8 Property, Plant and Equipment

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

GRI (*) G4-17

8.1.1 FACILITIES

Technip's significant facilities are, excluding its vessels, its offices, operational centres, assembly plants and factories. As of December 31, 2014, Technip owned various offices globally, including 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 its offices at La Défense (France) and headquarters in Paris. Technip owns or leases construction 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, 2014, Technip's land, buildings, machines and equipment were valued at €630.9 million, of which its land and buildings consisted of €174.7 million.

(*) *Global Reporting Initiative.*

As of December 31, 2014, the Group had access to the following principal properties, either owned or leased:

Location	Purpose	Legal status
(EUROPE)		
Paris, France	Head Offices/Offices	Leased
Courbevoie (Paris – La Défense), France	Offices	Leased
Le Trait, France	Plant (flexible pipes), Offices and Land	Owned
Lyon, France	Offices	Leased
Mont-Saint-Aignan, France	Offices	Leased
Venette, France	Offices	Leased
Nîmes, France	Offices	Leased
Marseille, France	Offices	Owned
Les Pennes-Mirabeau, France	Plant	Leased
Montbonnot-Saint-Martin, France	Plant	Leased
Peynier, France	Plant and Offices	Leased
Compiègne, France	Offices and Warehouses	Leased
Toulouse, France	Offices	Leased
Rueil-Malmaison, France	Offices	Leased
La Garenne-Colombes, France	Offices	Leased
La Seyne-sur-Mer, France	Offices and Land	Leased
Châtenay-Malabry, France	Offices	Leased
Blagnac, France	Offices	Leased
Martigues, France	Offices	Leased
Rousset, France	Offices	Leased
Rome, Italy	Offices	Owned/Leased
Milan, Italy	Offices	Leased
Zoetermeer, The Netherlands	Offices	Leased
Capelle a/d. IJssel, The Netherlands	Offices	Leased
Den Bosch, The Netherlands	Offices	Leased
Bergen op Zoom, The Netherlands	Offices	Leased
Düsseldorf, Germany	Offices	Leased
Bremerhaven, Germany	Offices	Leased
Frankfurt, Germany	Offices and Research Centre	Leased
Newcastle, United Kingdom	Plant (umbilicals) and Offices	Owned/Leased
Aberdeen (Scotland), United Kingdom	Offices and Warehouses	Owned/Leased
London, United Kingdom	Offices	Leased
Milton Keynes, United Kingdom	Offices	Leased
Edinburgh (Scotland), United Kingdom	Warehouses	Owned/Leased
Evanton (Scotland), United Kingdom	Plant (spoolbase) and Land	Owned/Leased
Shetland (Scotland), United Kingdom	Offices	Leased
Gateshead, United Kingdom	Offices	Leased
Pori (Mäntyluoto), Finland	Plant (shipyard) and Land	Owned
Antwerp, Belgium	Offices	Leased
Barcelona, Spain	Offices	Leased
Madrid, Spain	Offices	Leased
Tarragona, Spain	Offices	Leased
La Coruña, Spain	Offices	Leased
Oslo, Norway	Offices	Leased
Stavanger, Norway	Offices	Leased
Orkanger, Norway	Spoolbase, Offices and Land	Owned/Leased
Sandvika, Norway	Offices	Leased
Athens, Greece	Offices	Leased
Warsaw, Poland	Offices	Leased
(EASTERN EUROPE)		
Saint Petersburg, Russia	Offices	Leased
Moscow, Russia	Offices	Leased
N. Novgorod, Russia	Offices	Leased

Location	Purpose	Legal status
(ASIA)		
New Delhi, India	Offices/Workshop	Owned
Chennai, India	Offices	Leased
Mumbai, India	Offices	Leased
Noida, India	Land and Offices	Owned
Kuala Lumpur, Malaysia	Offices	Leased
Kota Kinabalu, Malaysia	Offices	Leased
Bintulu, Malaysia	Offices	Leased
Shanghai, China	Offices	Leased
Beijing, China	Offices	Leased
Tianjin, China	Offices	Leased
Jakarta, Indonesia	Offices	Leased
Balikpapan, Indonesia	Offices	Leased
Miri, Indonesia	Offices	Leased
Batam Island, Indonesia	Offshore base	Leased
Bangkok, Thailand	Offices	Leased
Rayong, Thailand	Offices	Leased
Singapore, Singapore	Offices	Leased
Vung Tau, Vietnam	Offices	Leased
Ho Chi Minh, Vietnam	Offices	Leased
Seoul, South Korea	Offices	Leased
Yangon, Myanmar	Offices	Leased
Brunei	Offices	Leased
Ashgabat, Turkmenistan	Offices	Leased
(OCEANIA)		
New Plymouth, New Zealand	Offices	Leased
Brisbane, Australia	Offices	Leased
Perth, Australia	Offices	Leased
Koné, New Caledonia	Offices	Leased
(NORTH AMERICA)		
Houston (Texas), United States	Plant, Land and Offices	Owned/Leased
Claremont (California), United States	Offices	Leased
Mobile (Alabama), United States	Plant (spoolbase) and Land	Owned/Leased
Theodore (Alabama), United States	Spoolbase	Owned
Carlyss (Louisiana), United States	Spoolbase	Owned
New Iberia (Louisiana), United States	Research and Development Centre	Leased
Boston (Massachusetts), United States	Offices	Leased
Stoughton (Massachusetts), United States	Offices	Leased
Weymouth (Massachusetts), United States	Laboratory	Leased
Covington, United States	Offices	Leased
St. John's, Canada	Offices	Leased
Calgary, Canada	Offices	Leased
Mexico City, Mexico	Offices	Leased
Ciudad Del Carmen, Mexico	Offices, Workshop and Port Facilities	Owned/Leased
(SOUTH AMERICA)		
Vitória, Brazil	Plant (flexible pipes) and Land	Owned/Leased
Rio de Janeiro, Brazil	Offices	Owned/Leased
Natal, Brazil	Offices	Leased
Guamaré, Brazil	Offices	Leased
Cubatão, Brazil	Offices	Leased
Vila Velha, Brazil	Warehouses	Leased
São João da Barra, Brazil	Plant	Leased
Viana, Brazil	Warehouses	Leased
Macaé, Brazil	Logistics Base and Offices	Owned
Angra dos Reis, Brazil	Harbour Facilities and Offices	Leased
Açu, Brazil	Plant under Construction/Land	Owned/Leased
Bogota, Colombia	Offices	Owned/Leased
Barrancabermeja, Colombia	Offices	Leased

Location	Purpose	Legal status
Villavicencio, Colombia	Offices	Leased
Caracas, Venezuela	Offices	Owned
San Tome, Venezuela	Offices	Leased
Puerto La Cruz, Venezuela	Offices	Leased
Punto Fijo, Venezuela	Offices	Leased
Maracaibo, Venezuela	Offices	Leased
(AFRICA)		
Lagos, Nigeria	Offices	Leased
Port Harcourt, Nigeria	Plant (naval construction site), Offices and Land	Owned/Leased
Lobito, Angola	Plant (umbilicals) and Land	Leased
Dande, Angola	Plant (spoolbase) and Land	Leased
Luanda, Angola	Offices	Leased
Johannesburg, South Africa	Offices	Leased
Algiers, Algeria	Offices	Leased
Accra, Ghana	Offices	Leased
Cairo, Egypt	Offices	Leased
(MIDDLE EAST)		
Abu Dhabi, UAE	Offices	Leased
Jebel Ali, UAE	Offices	Leased
Doha, Qatar	Offices	Leased
Al Khobar, Saudi Arabia	Offices	Leased
Baghdad, Iraq	Offices	Leased

None of the leased properties are owned by any of the Group's executives.

8.1.2 FLEET OF VESSELS

Technip's fleet had an 80%utilization rate for financial year 2014.

As of December 31, 2014, the Group holds an interest in or operates the following vessels:

Vessel Name	Vessel Type	Special Equipment	Diving Systems	ROV Systems
Deep Blue	PLSV	Reeled pipelay/flexible pipelay/umbilical systems	0	2
Apache II	PLSV	Reeled pipelay/umbilical systems	0	0
Sunrise 2000	PLSV	Flexible pipelay/umbilical systems	0	2
Skandi Vitória	PLSV	Flexible pipelay/umbilical systems	0	2
Skandi Niterói	PLSV	Flexible pipelay/umbilical systems	0	2
Deep Energy	PLSV	Reeled pipelay/flexible pipelay/umbilical systems	0	2
Coral do Atlantico	PLSV	Reeled pipelay/umbilical systems	0	2
Estrela do Mar	PLSV	Reeled pipelay/umbilical systems	0	2
Skandi Açu (1)	PLSV	Flexible pipelay/umbilical systems	0	2
Skandi Buzios (1)	PLSV	Flexible pipelay/umbilical systems	0	2
Skandi Olinda (1)	PLSV	Flexible pipelay/umbilical systems	0	2
Skandi Recife (1)	PLSV	Flexible pipelay/umbilical systems	0	2
Global 1200	PLSV/HCV	Conventional pipelay/Heavy handling operations	0	2 (4)
Global 1201	PLSV/HCV	Conventional pipelay/Heavy handling operations	0	1 (4)
Deep Pioneer	HCV	Construction/installation systems	0	2
Skandi Africa (1) (3)	HCV	Construction/installation systems	0	2 (4)
Deep Constructor	HCV	Construction/installation systems	0	2
Deep Orient	HCV	Construction/installation systems	0	2
North Sea Atlantic (3)	HCV	Construction/installation systems	0	2
North Sea Giant (3)	HCV	Construction/installation systems	0	2
Normand Pioneer (2)	LCV	Construction/installation systems	0	1
Normand Progress (2)	LCV	Construction/installation systems	0	2 (4)
Normand Ranger (2)	LCV	Construction/installation systems	0	1
Skandi Achiever (2)	DSV/LCV	Diver support systems	1	2
Orelia	DSV/LCV	Diver support systems	2	1
Skandi Arctic (3)	DSV/HCV	Diver support systems	2	3
Deep Explorer (1)	DSV/HCV	Diver support systems	2	2
Wellservicer	DSV/HCV	Diver support systems	2	2
Olympic Challenger (3)	MSV	Construction/installation systems	0	2

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 a full range of services, with or without divers, to oil and gas clients globally. Technip's state-of-the-art fleet is able to conduct operations to install subsea pipelines, umbilicals and other infrastructure in depths of up to 3,000 meters below sea level.

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

In 2014, Technip continued the strategic program that it started in 2006, which included the following changes in the fleet:

- In August 2013, the joint venture formed by Technip (50%) and DOF Subsea ("DOF") (50%) was awarded contracts to construct four new pipelay support vessels (PLSVs) by Petrobras. Two of the PLSVs will have a 300-ton laying tension capacity, the *Skandi Olinda* and the *Skandi Recife,* and will be fabricated in Brazil with a high national content. The other two vessels, the *Skandi Açu* and the *Skandi Buzios,* 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. These contracts will last eight years from the start of operations, and may be renewed for another eight-year period.
- During the first quarter of 2013, the *Deep Orient* joined the Technip fleet and successfully completed her first projects in Norway before crossing to the Asia Pacific Region to commence work in her home Region. The ship measures 135 meters in length and is equipped with a 250-ton capacity crane and two Triton XLX 150 work class ROVs.
- The *Deep Energy,* a pipelay vessel which joined the Technip fleet during the third quarter of 2013, successfully completed her first projects in the Gulf of Mexico. In 2014, it relocated to the North Sea to work on Projects in Norway and the United Kingdom. *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 speed vessel operates worldwide, with the capability to install rigid pipes of diameters up to 22 inches, flexible pipes of diameters up to 24 inches and umbilicals in depths of up to 3,000 meters.
- In November 2013, Technip entered into a long-term charter agreement with DOF in relation to the *Skandi Africa* vessel. The hull was built by VARD, in Romania and it is currently in Norway for maintenance with delivery expected during the third quarter of 2015. After construction it will be a DP3 (Dynamic Positioning Class III) construction support vessel, designed for harsh environments and deepwater subsea construction and flexlay operations, in depths of up to 3,000 meters. It will be fully equipped with a 900-ton active-heave compensated main crane, 650-meters Tiltable Lay System, large deck area, underdeck storage capacity of 3,500-ton and two work-class TXLX ROVs rated for 4,000 meters water depth.
- In January 2014, Technip committed to investing in a new dive support vessel, the *Deep Explorer*. This high-specification vessel will be equipped with the latest technology in terms of navigation (Dynamic Positioning Class 3) and will feature a 24-man saturated dive system. With her large deck area, working moonpool, work-class ROVs and a 400-ton offshore crane, she will also be able to deliver diverless construction operations. Construction of the ship's hull commenced at VARD in Romania and the ship will be towed to Norway for final equipment fitting and commissioning. It is scheduled to join the Technip fleet in 2016. Purpose designed for the harsh conditions in the North Sea and Canadian waters, the *Deep Explorer* will be capable of working in extreme weather conditions. Her potential area of operations remains global. Upon delivery she will be the most advanced DSV in the world.
- During the third quarter of 2014, the *North Sea Atlantic* joined the Technip fleet and successfully completed her first projects in Norway. Technip entered into a long-term charter agreement with North Sea Shipping for the vessel in January 2013. The vessel was built at Bergen Group BMV AS in Bergen, Norway. 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 in width. It is equipped with a 550-ton active heave compensation crane which is capable of working in depths of up to 3,000 meters, and will also be fitted with a 2,000-ton under-deck carousel to store flexible pipes. The vessel's design specification meets the strictest requirements for subsea work and although it will work predominantly in the North Sea, it is also suitable for deepwater operations worldwide. In June 2014, Technip sold its participation in Seamec to HAL Offshore Limited (India). As part of this transaction, the *Seamec 1*, *Seamec 2*, *Seamec 3*, *Seamec Princess* and *Alliance* have been transferred to the buyer.
- During the fourth quarter of 2014, the *Coral do Atlantico* and the *Estrela do Mar* joined the Technip fleet. They were built in partnership with Odebrecht Oil and Gas, a Brazilian company. These two vessels are built solely for laying large diameter flexible pipelines in very deep water. They measure 146 meters in length with a flexible pipeline storage capacity of 4,000 tons, and are fitted with a vertical laying tower supporting up to 550-ton and are equipped with a 250-ton capacity deep water crane. Both vessels have started long-term contracts with Petrobras, a Brazilian oil company. On September 18, 2014, Technip sold the *Chickasaw* to Coral Marine Services LLC. In the frame of the divestment of its diving activities in the United States on December 5, 2014, Technip sold its diving support vessel, the *Global Orion* and terminated the long term charter agreement for the *Normand Commander*.

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.

9 Adjusted Operating and Financial Review

Preliminary

The following section presents Technip's adjusted results and Statements of Financial Position ("Group Adjusted Accounts") for the two financial years ended December 31, 2014, and December 31, 2013. In Note 3 (c) of Section 20.1 of this Reference Document are presented Technip's Consolidated Financial Statements, which have been prepared in accordance with the IFRS, and the reconciliation to the adjusted data.

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

The adjusted results and Statements of Financial Position for the year ended December 31, 2013, being subject to an adjustment presented in Note 1 of Section 1 of the Consolidated Financial Statements, the following developments and comments have been consequently amended.

9.1. Presentation of the Adjusted 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, 2014.)

Main Acquisitions

Year ended December 31, 2014

On April 30, 2014, Technip sold the totality of its fully owned subsidiary Technip TPS, specialized in engineering and construction for the industry, to the WSP Group (WSP is one of the world's leading professional services firms) for a total amount of €12.1 million as of December 31, 2014.

On June 3, 2014, September 26, 2014 then on December 4, 2014, Technip sold the totality of its 75% of investment in Seamec to HAL Offshore Limited, India at a consideration of 97 Indian rupees per share (translating to a total amount of €31.4 million as of December 31, 2014).

Seamec Limited and its 100% subsidiary Seamec International FZE are not anymore consolidated in Technip Group accounts as of December 31, 2014.

On December 30, 2014, Technip acquired the technology Zimmer®. Based in Frankfurt, Germany, Technip Zimmer GmbH constitutes the new polymers technology business of Technip. This activity is integrated through Technip Stone & Webster Process Technology, the Onshore global business unit formed in 2012 to manage the Company's expanding portfolio of downstream process technologies.

Technip Zimmer GmbH's business includes technologies for the processing of polyesters and polyamides, research and development facilities, and a team of around forty skilled engineers, researchers and project teams.

The new polymers business will diversify and strengthen Technip's portfolio of downstream technologies in its Onshore segment.

The goodwill recognized in the consolidated financial statements as of December 31, 2014 for the acquisition of the technology Zimmer® amounts to €63.7 million.

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 amounted 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.

Other Acquisitions

The other changes in the scope of consolidation compared to December 31, 2013, are notably described here below.

On April 3, 2014, Technip purchased 49% of Kanfa AS, a company that delivers overall process solutions and services to the Offshore and Oil, Gas and LNG Industry with main focus on the worldwide FPSO market. This company is integrated by equity method in Group accounts.

On October 14, 2014, Technip purchased 51% of Inocean AS, a company that offers naval architect and engineering services in all phases of a project cycle and has activities primarily within the offshore oil and gas sector. Inocean AS has intellectual property rights to various floating installations and vessels. This company is fully consolidated in Group consolidated accounts.

REPORTING BY BUSINESS SEGMENT AND BY GEOGRAPHICAL AREA

Reporting by Business Segment

The three business segments as reported to the main operating decision-maker, the Group Executive Committee, are 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, the facilities for developing onshore oil and gas fields (including gas treatment units, liquefied natural gas (LNG) units and onshore pipelines), 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.

Adjustment items relate to the proportionate integration of incorporated entities linked to construction contracts in joint arrangements.

Joint arrangements in which the Group hold investments could be classified in two categories: those set up for the purpose of fulfilling a defined construction contract and those set up to build and operate vessels, principally flexible pipeline installation vessels (PLSVs) in Brazil. The fulfilment of contracts in joint arrangement being the core business of Technip, the Group should continue to release its contracts in partnership using the proportionate method whatever the legal structuration of the joint arrangement and whether or not the constitution of an incorporated legal entity is scheduled to host partly or fully the contract. The objective is to disclose all relevant financial information to the Group management and to the different participants of the financial markets.

Entities holding pipeline installation vessels should remain consolidated as equity affiliates as their management and operational methods intrinsically corresponds to the concept of joint ventures as described in IFRS 11.

Reporting by Geographical Area

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 Adjusted Revenues

CHANGES IN BACKLOG

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

As of December 31, 2014, the backlog amounted to €20,936.2 million compared to €15,475.4 million as of December 31, 2013. This increase of approximately €5.5 billion (+35%) was driven by both segments with a higher increase on the Onshore/Offshore segment, as shown in the table below:

Backlog by business segment

In millions of Euro	As of December 31, 2014	As of December 31, 2013	Variation
Subsea	9,727.8	7,542.7	29%
Onshore/Offshore	11,208.4	7,932.7	41%
TOTAL BACKLOG	**20,936.2**	**15,475.4**	**35%**

Backlog by Geographical Area

In millions of Euro	Europe, Russia, Central Asia	%	Var.	Africa	%	Var.	Middle-East	%	Var.	Asia Pacific	%	Var.	Americas	%	Var.	Total	Var.
Backlog As of December 31, 2014	8,724.3	42%	109%	4,415.1	21%	59%	1,259.2	6%	-21%	2,611.8	12%	-1%	3,925.8	19%	-9%	20,936.2	35%
Backlog As of December 31, 2013	4,171.7	27%	-4%	2,777.6	18%	130%	1,585.0	10%	0%	2,638.1	17%	-13%	4,303.0	28%	5%	15,475.4	9%

The increase in backlog in 2014 was very diverse among geographical areas. The Europe, Russia and Central Asia area grew strongly to became the first contributor to the Group backlog, thanks to the Yamal project in Russia, the contract for the construction of an ammoniac plant in Slovakia and many awards in the North Sea such as Edradour, Glenlivet, Kraken and Åsgard IMR. The good momentum in Africa is mainly coming from the major awards of Kaombo and Block 15/06 in Angola. The Americas area, slowing down as compared to 2013, remained an important market with notably many contracts for flexible supply in Brazil and high scale engineering and construction projects for the petrochemical industry in the United States. The backlog in Middle-East and Asia Pacific showed a slowdown as compared to 2013.

The main contributors to Group backlog are presented by geographical area and by business segment in the table below:

Main contributors to backlog as of December 31, 2014	Europe, Russia, Central Asia	Africa	Middle-East	Asia Pacific	Americas
Subsea	■ Quad 204 for BP (North Sea) ■ Edradour and Glenlivet fields for Total (North Sea) (*) ■ Kraken for Enquest (North Sea) (*) ■ IMR (inspection, maintenance and repair) services for Åsgard Subsea Compression for Statoil (North Sea) (*)	■ Installation services and umbilicals supply for Kaombo project for Total (Angola) (*) ■ Moho North for Total (Congo) ■ T.E.N. for Tullow (Ghana) ■ Block 15/06 for ENI (Angola) (*)	■ Installation services of Rashid C pipelines for DPE (United Arab Emirates) (*)	■ Jangkrik for ENI (Indonesia) (*) ■ Bangka for Chevron (Indonesia) (*) ■ Wheatstone for Chevron (Australia)	■ Flexibles supply of Iracema Sul, Iracema Norte (*) fields for Petrobras (Brazil) ■ Accelerated production system of Mariscal Sucre Dragon for PDVSA (Venezuela) ■ Stones for Shell (Gulf of Mexico)
Onshore/Offshore	■ Liquefied natural gas facility for Yamal LNG (Russia) (*) ■ Martin Linge platform for Total (North Sea) ■ Burgas Refinery for Lukoil (Bulgaria) ■ Construction of an ammoniac plant for Duslo (Slovakia) (*)	■ Algiers refinery extension for Sonatrach (Algeria)	■ Halobutyl unit for Kemya (Saudi Arabia) ■ Super complex of Umm Lulu for Adma Opco (United Arab Emirates)	■ Prelude FLNG (*Floating Liquefied Natural Gas*) for Shell (Australia) ■ Malikai Deepwater TLP (*Tension Leg Platform*) for Shell (Malaysia) ■ Block SK 316 platforms for Petronas (Malaysia)	■ Petrochemical complex Ethylene XXI for Braskem Idesa (Mexico) ■ Polyethylene plant for CP Chem in Old Ocean (USA) ■ Ethane cracker for Sasol in Louisiana (USA) (*) ■ FPSO P76 construction for Petrobras (Brazil) ■ Juniper Platform for BP (Trinidad) (*)

(*) New contract.

CHANGES IN ORDER INTAKE

Order intake by business segment in 2014, compared to 2013, is presented in the table below:

In millions of Euro	As of December 31, 2014	As of December 31, 2013	Variation
Subsea	6,837.3	5,975.7	14%
Onshore/Offshore	8,458.5	5,148.2	64%
TOTAL ORDER INTAKE	**15,295.8**	**11,123.9**	**38%**

The significant increase of the order intake between 2013 and 2014 was mainly driven by the Onshore/Offshore segment, with the award of the Yamal project in Russia, which includes the construction of three LNG trains for Yamal LNG. Also to be noticed, the award of a contract for an ethane cracker for Sasol in Louisiana, a contract for the construction of an ammoniac plant in Slovakia, and a contract for the construction of a platform for the Juniper project in Trinidad. The Subsea order intake in 2014 remained strong with notably the award of major contracts in Angola such as Kaombo and Block 15/06, and the award of significant contracts such as Jangkrik in Indonesia, Edradour and Kraken in the North Sea and with flexible supply for Iracema Norte and Sapinhoa Norte fields in Brazil. These numerous contracts allow the Group to reach a record backlog, much higher than last year backlog.

The main 2014 order intake is presented as "new contract" in the above backlog table by geographical area and by business segment.

CHANGES IN ADJUSTED 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 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 table below shows adjusted revenues by business segment for the years ended December 31, 2014 and December 31, 2013:

	Subsea			Onshore/Offshore			Total	
In millions of Euro		%	Var.		%	Var.		Var.
2014 adjusted Revenues	4,880.4	46%	20%	5,844.1	54%	12%	10,724.5	16%
2013 adjusted Revenues	4,065.0	44%	0%	5,220.1	56%	26%	9,285.1	13%

The increase in adjusted revenues in 2014 by €1,439.4 million compared to 2013 (+16%) was mainly driven by the Subsea segment. Yet, the relative weight of each segment remains balanced.

The estimated impact of foreign exchange rates on adjusted revenues was negative in 2014, €(147.3) million, mainly driven by the depreciation of the Brazilian Real (-9%), the Norwegian Krone (-7%) and the Australian Dollar (-7%) against the Euro. The estimated impact in 2013 was negative, €(355.0) millions.

Adjusted Revenues by Business Segment

The main contributors to Group adjusted revenues by business segment are listed in a synthesis table below.

Subsea

The significant increase in Subsea revenues is explained by the ramp-up of important contracts in Africa such as Block 15/06 and Moho North, and in Europe such as Quad, Bøyla and Åsgard. Activity also grew in Asia Pacific with the completion of the contract for Panyu. Jalilah's project in the United Arab Emirates contributed to the growth of the activity in Middle-East whereas Americas had stable revenues as compared to 2013.

Onshore/Offshore

The strong increase in Onshore/Offshore revenues was mainly driven by the Prelude FLNG project execution, for which the modules installation started during the year, by the progress of the construction of Martin Linge and Dong Hejre platforms in the North Sea, by the progress on engineering activities and the start of the construction of modules for the Yamal project in Russia, and by the progress on the construction of the petrochemical complex of Ethylene XXI for Braskem Idesa in Mexico. Construction contracts for Jubail, Burgas and Algiers refineries, respectively located in Saudi Arabia, in Bulgaria and in Algeria, also largely contributed to the increase of revenues in 2014.

Adjusted Revenues by Geographical Area

The following table shows adjusted revenues by geographical area for the years ended December 31, 2014 and December 31, 2013:

	Europe, Russia, Central Asia			Africa			Middle-East			Asia Pacific			Americas			Total	
In millions of Euro		%	Var.		%	Var.		%	Var.		%	Var.		%	Var.		Var.
2014 adjusted Revenues	3,348.9	31%	23%	1,219.7	11%	55%	1,199.9	11%	25%	1,962.5	18%	1%	2,993.5	29%	4%	10,724.5	16%
2013 adjusted Revenues	2,722.7	29%	13%	784.5	8%	8%	959.9	10%	-16%	1,946.8	22%	46%	2,871.2	31%	11%	9,285.1	13%

The principal contributors to Group adjusted revenues by geographical area are listed in the synthesis table below.

Europe, Russia and Central Asia

This area became the first contributor to the Group adjusted revenues in 2014. This year was particularly impacted by a very dynamic activity in the North Sea with the projects Quad 204, Åsgard, Bøyla, Kraken, Dong Hejre and Martin Linge, as well as in Russia with Yamal and in Bulgaria with the construction of the Burgas refinery.

Africa

Africa's contribution to the Group adjusted revenues increased slightly in 2014 but highly increased in terms of value as compared to 2013, thanks in particular to the construction of the Algiers refinery extension, and various subsea projects ongoing in Western Africa such as Moho North and Block 15/06 for flexible supply, procurement and installation of subsea equipments.

Middle-East

The area's contribution to the Group revenues remains stable, driven by the development of the halobutyl unit for Kemya and by the construction of facilities on the Upper Zakum artificial islands for ZADCO, of which oil production started. Jalilah's project in the United Arab Emirates contributed to the increase of the activity in Middle-East.

Asia Pacific

After a strong development in 2013, the area's contribution to the Group revenues remained stable in 2014, driven by the construction of the Prelude FLNG for Shell in Australia and by the progress on construction of the platforms for Malikai and Block SK 316 projects in Malaysia. The Subsea segment slightly contributed to the growth of this region with the completion of Panyu for CNOOC, Greater Western Flank for Woodside, and Laila for Shell.

Americas

The contribution of Americas to the Group revenues remained stable in 2014 thanks to flexible supply in Brazil, the completion of some installation projects in the Gulf of Mexico, the construction of the Heidelberg Spar for Anadarko in the Gulf of Mexico, the SWRX expansion project in Canada, as well as the progress on the polyethylene plants for CP Chem in Texas and on the ethane cracker for Sasol in Louisiana. This area is the second contributor to Group revenues in 2014.

Major Contributors to 2014 Group Adjusted Revenues Split by Business Segment and Geographical Area

Principal contributors to 2014 adjusted revenues	Europe, Russia, Central Asia	Africa	Middle-East	Asia Pacific	Americas
Subsea	■ Quad 204 for BP (North Sea) ■ Åsgard Compression for Statoil (North Sea) ■ Bøyla for Marathon (North Sea) ■ Kraken for EnQuest (North Sea)	■ Block 15/06 for ENI (Angola) ■ Moho North for Total (Angola) ■ GirRi Phase 2 for Total (Angola)	■ Jalilah for DPE (United Arab Emirates)	■ Panyu for CNOOC (China) ■ Greater Western Flank for Woodside (Australia) ■ Laila for Shell (Malaysia)	■ Flexibles supply of Iracema Sul and Sapinhoa Norte fields for Petrobras (Brazil) ■ Delta House for LLOG (Gulf of Mexico) ■ SWRX Production Expansion for Husky (Canada)
Onshore/Offshore	■ Burgas Refinery for Lukoil (Bulgaria) ■ Martin Linge platform for Total (North Sea) ■ Hejre platform for Dong Energy (North Sea) ■ Liquefied natural gas facility for Yamal LNG (Russia)	■ Algiers refinery extension for Sonatrach (Algeria)	■ Jubail refinery construction for SATORP (Saudi Arabia) ■ Upper Zakum 750 EPC1 for ZADCO (United Arab Emirates) ■ Halobutyl unit for Kemya (Saudi Arabia)	■ Prelude FLNG (*Floating Liquefied Natural Gas*) for Shell (Australia) ■ Malikai Deepwater TLP (*Tension Leg Platform*) for Shell (Malaysia)	■ Heidelberg Spar for Anadarko (Gulf of Mexico) ■ Petrochemical complex Ethylene XXI for Braskem Idesa (Mexico) ■ Polyethylene plant for CP Chem in Old Ocean (USA) ■ Ethane cracker for Sasol in Louisiana (USA)

9.3. Presentation of Adjusted Operating Costs and Income

ADJUSTED COST OF SALES

In 2014, adjusted cost of sales amounted to €9,210.3 million, compared to €7,680.0 million in 2013 (+20%). In comparison, revenues increased by 16% between 2013 and 2014.

Gross margin rate decreased from 17.3% in 2013 to 14.1% in 2014.

The main components of cost of sales were as follows:

- other purchases and external charges: €6,742.9 million, representing 73% of cost of sales. This line item includes equipment purchases and construction subcontracting;
- payroll expenses: €1,947.3 million, representing 21% of cost of sales;
- amortization and depreciation of fixed assets: €272.9 million, representing 3% of cost of sales; and
- long-term rental costs: €247.2 million, representing 3% of cost of sales.

The 2014 adjusted cost of sales by business segment were as follows:

In millions of Euro	Subsea	Onshore/ Offshore	Total
2014 adjusted Cost of Sales	(3,981.8)	(5,228.5)	(9,210.3)
2014 % adjusted Gross Margin	18.4%	10.5%	14.1%

The Subsea segment represented 43% of 2014 adjusted cost of sales, a slight increase compared to 2013 (41%). The Onshore/Offshore segment represented 57% of 2014 adjusted cost of sales, compared to 59% in 2013.

The nature of the cost of sales varies from one segment to another. The Subsea segment is involved in manufacturing flexible pipes, in construction and installation, and therefore requires industrial assets (plants, pipelay vessels) and a labour 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.

ADJUSTED RESEARCH AND DEVELOPMENT COSTS

Adjusted research and development costs amounted to €82.6 million in 2014, compared to €75.5 million in 2013, *i.e.* an increase of €7.1 million (+9%). This growth was mainly driven by the Subsea segment with large efforts made to improve technologies necessary to the development of underwater oil and gas fields.

ADJUSTED SELLING AND ADMINISTRATIVE COSTS

Adjusted selling costs amounted to €221.1 million in 2014 compared to €219.0 million in 2013, decreasing from 2.4% to 2.1% of adjusted revenues. Administrative costs amounted to €423.8 million compared to €495.2 million in 2013, decreasing from 5.3% to 4.0% of adjusted revenues. The decrease of selling and administrative costs is due to the reduction of total headcount, the reduction of fleet of vessels, and the closure of non-core activities.

ADJUSTED OTHER OPERATING INCOME/EXPENSES

Adjusted other operating income amounted to €31.1 million in 2014, compared to €33.9 million in 2013 and adjusted other operating expenses amounted to €11.4 million, compared to €14.4 million in 2013. The result was a net income of €19.7 million in 2014, compared to a net income of €19.5 million in 2013.

In 2014, adjusted other operating income comprised mainly net proceeds from disposal of property, plant and equipment for €7.9 million and from disposal of intangible assets for €4.7 million resulting essentially from the sale of the Group diving assets in the Gulf of Mexico. The insurance premiums, re-insurance premiums and reversals of provisions for charges recognized by Technip's captive re-insurers, amounted to €11.5 million in 2014 (compared to €13.2 million in 2013). The adjusted other operating income for a €7.0 million are mainly established of diverse subsidies received.

Recorded in adjusted other operating expenses, the sinister expenses and the provision for sinister of captive re-insurers reached €7.2 million in 2014 and €10.6 million in 2013.

ADJUSTED SHARE OF INCOME/(LOSS) OF EQUITY AFFILIATES

Adjusted share of Income/(Loss) of Equity Affiliates represents an income of €18.2 million in 2014 and a loss of €0.4 million in 2013.

9.4. Comments on the Operating Results Adjusted for the Financial Year ended December 31, 2014, Compared to the Financial Year ended December 31, 2013

ADJUSTED OPERATING INCOME/(LOSS) FROM RECURRING ACTIVITIES AFTER INCOME/(LOSS) OF EQUITY AFFILIATES (OIFRA)

Adjusted OIFRA was €824.6 million in 2014 compared to €834.5 million in 2013 (-1%). The adjusted OIFRA margin was 7.7% of revenues, compared to 9.0% in 2013.

The estimated impact of foreign exchange rates on adjusted OIFRA was negative in 2014, €(12.0) million, mainly driven by the depreciation of the Brazilian Real (-9%) and the Norwegian Krone (-7%) against the Euro. In 2013, the estimated impact was negative, €(45.9) million.

Adjusted OIFRA by Business Segment

In millions of Euro	Subsea	Var.	Onshore/ Offshore	Var.	Corporate	Var.	Non Allocable	Total	Var.
2014 Adjusted OIFRA after Income/(Loss) of Equity Affiliates	635.1	10%	276.2	-21%	(86.7)	-6%	-	824.6	-1%
% Adjusted OIFRA after Income/(Loss) of Equity Affiliates in 2014	**13.0%**		**4.7%**		-		-	**7.7%**	
2014 Adjusted Operating Income	633.9	10%	271.1	-23%	(154.0)	68%	-	751.0	-10%
% Operating Income in 2014	**13.0%**		**4.6%**		-		-	**7.0%**	
2013 Adjusted OIFRA after Income/(Loss) of Equity Affiliates	575.0	-5%	351.4	19%	(91.9)	-28%	-	834.5	1%
% Adjusted OIFRA after Income/(Loss) of Equity Affiliates in 2013	**14.1%**		**6.7%**		-		-	**9.0%**	
2013Adjusted Operating Income Restated	575.0	-5%	351.4	19%	(91.9)	-28%	-	834.5	2%
% Adjusted Operating Income in 2013	**14.1%**		**6.7%**		-		-	**9.0%**	

The Subsea segment confirmed its leadership as largest contributor to Group adjusted OIFRA after Income/(Loss) of Equity Affiliates. This performance reflects a good utilization of Group assets (vessels and manufacturing plants) and a good project execution worldwide, despite the completion of difficult projects in the Gulf of Mexico. All this largely balanced the costs of accelerated maintenance on some vessels as well as the enhancement program of the fleet, and the startup costs of the new flexible pipes plant in Açu. Overall, the vessel utilization rate was 80% in 2014 compared to 75% in 2013.

The Onshore/Offshore segment covers 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 and the market environment was challenging. The operating margin rate of the segment in 2014 accordingly fell to 4.7% as compared to 6.7% in 2013.

The Corporate segment recorded an adjusted operating loss of €86.7 million in 2014, compared to a loss of €91.9 million in 2013 restated. It included in particular costs related to share purchase options and share subscription options, and to grants of performance shares.

Adjusted OIFRA by Geographical Area

In millions of Euro	Europe, Russia, Central Asia	Var.	Africa	Var.	Middle-East	Var.	Asia Pacific	Var.	Americas	Var.	Non Allocable	Total	Var.
2014 Adjusted OIFRA after Income/(Loss) of Equity Affiliates	345.2	-8%	5.2	-89%	72.7	-27%	168.8	-27%	319.4	88%	(86.7)	824.6	-1%
% Adjusted OIFRA after Income/(Loss) of Equity Affiliates in 2014	**10.3%**		**0.4%**		**6.1%**		**8.6%**		**10.7%**		-	**7.7%**	
2014 Adjusted Operating Income	345.2	-8%	5.2	-89%	72.7	-27%	168.8	-27%	319.4	88%	(160.3)	751.0	-10%
% Adjusted Operating Income in 2014	**10.3%**		**0.4%**		**6.1%**		**8.6%**		**10.7%**		-	**7.0%**	
2013 Adjusted OIFRA after Income/(Loss) of Equity Affiliates	375.9	1%	49.0	-4%	99.5	-27%	232.2	162%	169.8	-33%	(91.9)	834.5	1%
% Adjusted OIFRA after Income/(Loss) of Equity Affiliates in 2013	**13.8%**		**6.2%**		**10.4%**		**11.9%**		**5.9%**		-	**9.0%**	
2013 Adjusted Operating Income	375.9	1%	49.0	-4%	99.5	-27%	232.2	162%	169.8	-33%	(91.9)	834.5	2%
% Adjusted Operating Income in 2013	**13.8%**		**6.2%**		**10.4%**		**11.9%**		**5.9%**		-	**9.0%**	

The main contributors split by geographical area are listed in a synthesis table below.

Europe, Russia and Central Asia

This area remains the first contributor to Group results in 2014 like in 2013. The OIFRA stability came from the good execution of Subsea projects in the North Sea. The positive progress of Onshore/Offshore projects located in Eastern Europe and in Russia also contributed to the area's OIFRA.

Africa

This area moved backwards as compared to 2013. The contribution to Group results remained very weak due to many Subsea projects in their early phases, generating small or no profit in 2014.

Middle-East

The OIFRA margin decreased compared to last year and remained driven by the execution of important projects of the Onshore/Offshore segment in 2014.

Asia Pacific

Once again this year this area delivered a large part of the Group results, even if clearly below last year performance. Subsea segment showed a decrease in profitability in this area in 2014.

Americas

The contribution of this area strongly increased as compared to 2013. After a difficult year in the Gulf of Mexico for the Subsea Segment, the performance improved in 2014 with good project execution in the United States and in Brazil. Projects such as the Heidelberg Spar and the construction of the petrochemical complex Ethylene XXI in the Onshore/Offshore segment also contributed to the area's OIFRA.

Main Contributors to 2014 Group Adjusted Oifra Split by Business Segment and Geographical Area

Main contributors to 2014 adjusted OIFRA	Europe, Russia, Central Asia	Africa	Middle-East	Asia Pacific	Americas
Subsea	■ Bøyla for Marathon (North Sea) ■ Quad 204 for BP (North Sea) ■ Åsgard Compression for Statoil (North Sea)	■ Block 15/06 for ENI (Angola)	■ Jalilah for DPE (United Arab Emirates)	■ Panyu for CNOOC (China)	■ Flexibles supply of Iracema Sul and Sapinhoa Norte fields for Petrobras (Brazil) ■ Delta House for LLOG (Gulf of Mexico)
Onshore/Offshore	■ Burgas Refinery for Lukoil (Bulgaria) ■ Petrochemical plant for Rusvinyl (Russia)		■ Jubail refinery construction for SATORP (Saudi Arabia)	■ Prelude FLNG *(Floating Liquefied Natural Gas)* for Shell (Australia)	■ Heidelberg Spar for Anadarko (Gulf of Mexico) ■ Petrochemical complex Ethylene XXI for Braskem Idesa (Mexico)

ADJUSTED RESULT FROM SALE OF ACTIVITIES

The adjusted result from sales of activities for a total amount of (5.5) in 2014 is exclusively composed of impacts of disposals of the following consolidated investments:

- Technip TPS, fully-owned French subsidiary totally disposed on April 30, 2014; and
- Seamec, which all of Group investment share of 75% was sold successively on June 3, September 26, and December 4, 2014.

The net proceeds from these operations, net of cash disposal, amounted €24.6 million.

In 2013, the Group did not sell any activities.

ADJUSTED RESULT FROM NON-CURRENT ACTIVITIES

In 2014, non-current expenses for an aggregate amount of €68.1 million were mainly recognized for the closure costs of the Group Offshore Wind activity, restructuring costs and a transaction paid within the framework of a negotiation concerning a claim on contracts dating more than five years.

In 2013, no non-current expenses were recognized.

ADJUSTED OPERATING INCOME

Adjusted operating income amounted to €751.0 million in 2014 (7.0% of adjusted revenues), compared to €834.5 million in 2013 (9.0% of adjusted revenues), *i.e.,* a €83.5 million decrease (-10%). The split by business segment can be detailed as follows:

- Subsea: €633.9 million (compared to €575.0 million in 2013), *i.e.,* an operating margin of 13.0% in 2014 (compared to 14.1% in 2013);
- Onshore/Offshore: €271.1 million (compared to €351.4 million in 2013), *i.e.,* an operating margin of 4.6% in 2014 (compared to 6.7% in 2013);
- Corporate and non-attributable: a negative contribution of €154.0 million in 2014, compared to a negative contribution of €91.9 million in 2013 (see Note 3 to the Consolidated Financial Statements for the financial year ended December 31, 2014).

ADJUSTED FINANCIAL RESULT

Net adjusted financial result in 2014 was a loss of €128.5 million, compared to a loss of €78.6 million in 2013. This variation was mainly driven by:

- the increase in net foreign exchange result: the net foreign exchange gain amounted to €24.3 million in 2014, compared to a loss of €33.8 million in 2013;
- the depreciation of our investment in MHB for €68.0 million in 2014.

Financial expenses amounted to €581.3 million and included mainly the foreign exchange loss for €322.7 million, interests on bond loans for €68.1 million, financial charges related to other borrowings and bank overdrafts for €32.1 million and financial expenses related to long-term employee benefit plans for €15.8 million and the depreciation MHB stakes of €68.0 million.

Financial income amounted to €452.8 million and included mainly the foreign exchange gain for €397.8 million, interests from treasury management for €38.2 million (primarily proceeds from the disposal of marketable securities and interest on term deposits) and the financial income related to long-term employee benefit plans for €7.7 million.

ADJUSTED INCOME TAX

Adjusted Income tax expense amounted to €180.1 million in 2014, compared to €185.9 million in 2013, for pre-tax earnings of €622.5 million. Technip's effective tax rate in 2014 was 28.9%, while applicable French tax rate was 38% in 2014.

ADJUSTED NET INCOME ATTRIBUTABLE TO MINORITY INTERESTS

Adjusted net income attributable to minority interests was a €5.8 million gain in 2014, compared to a €6.9 million gain in 2013.

ADJUSTED NET INCOME

Adjusted net income attributable to shareholders of the parent company amounted to €436.6 million in 2014, compared to €563.1 million in 2013, *i.e.,* a decrease of €126.5 million (-22.5%). It represented 4.1% of Group revenues, compared to 6.1% in 2013.

ADJUSTED EARNINGS PER SHARE

Adjusted earnings per share calculated on a diluted basis amounted to €3.65 in 2014, compared to €4.68 in 2013. The average number of shares calculated on a diluted basis increased by 0.4%, from 124,777 shares taken into account in the 2013 calculation to 125,271 shares in the 2014 calculation.

Basic adjusted earnings per share were €3.89 in 2014, compared to €5.06 in 2013.

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, 2014.

9.5. Change in the Adjusted Statement of Financial Position between the Year ended December 31, 2014 and the Year ended December 31, 2013

ADJUSTED NON-CURRENT ASSETS

Fixed assets

Net intangible assets amounted to €3,496.5 million as of December 31, 2014, compared to €3,332.6 million as of December 31, 2013. They primarily consisted of €3,388.7 million in net goodwill. As of December 31, 2014, impairment tests performed on the net book value of goodwill did not result in the accounting of an impairment loss. In 2014, there is no significant movement, thus the goodwill has not changed, as in 2013.

Net tangible assets amounted to €2,501.4 million as of December 31, 2014, compared to €2,346.0 million as of December 31, 2013 (+6.7%). They principally included the vessels used in Subsea operations, with a carrying value of €1,392.4 million and machinery and equipment for €551.0 million. The increase in net value of €155.4 million in 2014 was mainly driven by new investments made in the financial year for €332.4 million, reduced primarily by yearly amortization and depreciation expenses of €263.0 million.

Capital expenditures amounted to €375.6 million in 2014, compared to €575.2 million in 2013 (-34.7%). These investments were primarily related to machinery and equipment (€54.9 million), vessels (€112.6 million), plus assets under construction (€121.7 million).

Pledged fixed assets amounted to €57.1 million as of December 31, 2014. No assets are subject to a capital lease.

Other Non-Current Assets

The other non-current assets included mainly:

- deferred tax assets for €391.0 million as of December 31, 2014, compared to €260.1 million as of December 31, 2013, *i.e.* a €130.9 million increase;
- investments in Malaysia Marine and Heavy Engineering Holdings Berhad (MHB), recognized as "Available-for-Sale Financial Assets" for an amount of €57.0 million. A €68.0 million depreciation was recognized in profit and loss accounts as the fair value revaluation of the MHB stakes.

ADJUSTED 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 €756.3 million as of December 31, 2014, compared to €405.0 million as of December 31, 2013.

The line item "Construction Contracts – Amounts in Liabilities" amounted to €2,258.2 million as of December 31, 2014, compared to €1,721.4 million as of December 31, 2013.

These changes are related to the progress made on various contracts.

Inventories, trade receivables and other receivables amounted to €3,297.0 million in 2014, compared to €3,172.1 million in 2013 (+3.9%).

The cash and cash equivalents position increased from €3,205.4 million in 2013 to €3,738.3 million in 2014 (+16.6%). 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 €867.5 million in 2014, compared to €1,305.6 million in 2013.

ADJUSTED PROVISIONS

As of December 31, 2014, adjusted provisions amounted to €561.2 million, compared to €479.7 million in 2013 (+17.0%). As of December 31, 2014, these amounts consisted of provisions for contract risks (€196.2 million compared to €106.7 million in 2013), provisions for pensions and other long-term employee benefits (€273.9 million compared to €264.1 million in 2013), provisions for taxes (€21.1 million compared to €33.2 million in 2013) and provisions for claims recorded by Technip's captive reinsurers (€11.0 million).

ADJUSTED FINANCIAL DEBTS

As of December 31, 2014, Technip's adjusted financial debts amounted to €2,613.0 million, of which €256.4 million were current financial debts. Adjusted debt in 2014 increased by €239.2 million (+10.1%) compared to 2013 (€2,373.8 million as of December 31, 2013) due to the drawing on Brazilian loans.

As of December 31, 2014, the non-current financial debts amounted to €2,356.6 million, principally comprising the two convertible bonds for €1,000.9 million (respectively €535.6 million for the 2010 OCEANE and €465.3 million for the 2011 OCEANE), private placements for €868.1 million and bank borrowings for €566.0 million essentially to Brazilian subsidiaries for the purpose of pre-financing exports and re-financing investments.

As of December 31, 2014, the current financial debts amounted to €256.4 million, mainly comprising commercial papers for €156.0 million.

10 Capital Resources

10.1. Changes in Adjusted Net Cash Position and in Adjusted Cash Flows for the Financial Year ended December 31, 2014, and the Financial Year ended December 31, 2013

The following tables present extracts of Technip's adjusted financial statements for the two financial years ended December 31, 2014, and December 31, 2013. In the Note 3 (c) of the Section 20.1 of this Reference Document are presented Technip's consolidated financial statements, which have been prepared in accordance with the IFRS (International Financial Reporting Standards), and the reconciliation to the adjusted data.

Technip's adjusted net cash position as of December 31, 2014, and as of December 31, 2013, was as follows:

	December, 31	
In millions of Euro	2014 adjusted	2013 adjusted
Cash	1,928.9	1,643.0
Cash Equivalents	1,809.4	1,562.4
Total Cash and Cash Equivalents	**3,738.3**	**3,205.4**
Convertible Bonds	1,002.8	973.4
Private Placement	868.1	867.1
Commercial Papers	156.0	134.0
Other Financial Debts	586.1	399.3
Total Financial Debts	**2,613.0**	**2,373.8**
NET TREASURY	**1,125.3**	**831.6**

As of December 31, 2014, Technip's adjusted net cash position amounted to €1,125.3 million compared to €831.6 million as of December 31, 2013 *i.e.* a €293.7 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.

ADJUSTED NET CASH GENERATED FROM OPERATING ACTIVITIES

Adjusted net cash generated from operating activities amounted to €867.5 million in 2014, compared to €1,305.6 million in 2013. This increase resulted mainly from the change in working capital needs.

Free cash flow amounted to €762.6 million in 2014, compared to €886.4 million in 2013.

The change in working capital needs amounted to €104.9 million in 2014, compared to €419.2 million in 2013.

ADJUSTED NET CASH USED IN INVESTING ACTIVITIES

Adjusted net cash used in investing activities decreased by €119.0 million from €(504.1) million in 2013 to €(385.1) million in 2014:

- In 2014, capital expenditures related to property, plant and equipment and intangible assets amounted to €375.6 million, compared to €575.2 million in 2013. This change reflects Group's efforts to optimize differentiating assets. During the year, the Group sold ageing vessels in order to focus on high value-added vessels.
- In 2014, proceeds from sales of assets amounted to €86.0 million, compared to €79.3 million in 2013. In 2014, proceeds from disposals of tangible and intangible assets amounted to €61.4 million principally stemmed from the disposal of diving equipment in Gulf of Mexico. The €24.6 million proceeds from disposals of financial assets are related to the sales of the consolidated shares of Technip TPS, fully-owned French subsidiary totally disposed on April 30, 2014, and Seamec, which all of Group investment share of 75% was sold successively on June 3, September 26, and December 4, 2014.
- The decrease of €36.7 million in cash position due to financial assets acquisition came from capital increase of equity affiliates carried out by the Group.
- The acquisition costs of consolidated companies, net of cash acquired, increased by €50.6 million from €8.2 million in 2013, related to acquisition cost of Ingenium AS, to €58.8 million in 2014, mainly due to acquisition cost of Zimmer® Technologies and to a lesser extent acquisition costs of Kanfa AS and Inocean AS.

ADJUSTED NET CASH GENERATED FROM FINANCING ACTIVITIES

In 2014, adjusted net cash generated from financing activities amounted to €(159.4) million, compared to €300.7 million in 2013.

The increase in financial debts by €216.9 million in 2014 is primarily driven by the use for BRL162.0 million of credit facilities on behalf of BNDES for financing Açuflex plant, the two new credit facilities on behalf of BNDES entered into by the Group's Brazilian subsidiary Flexibras Tubos Flexiveis totalling BRL100.0 million, additional commercial paper for €22.0 million and other credit facilities.

Financial debt decreased by €136.9 million in 2014, resulting primarily from the increase in credit facilities granted to equity affiliates.

Dividend paid in 2014 amounted to €206.5 million, compared to €186.0 million in 2013. In 2014, dividends paid to minority interests amounted to €2.8 million. In 2014, capital increases amounted to €11.7 million, mainly as a result of the exercise of share subscription options. The amount cashed out for purchasing treasury shares for employees amounted to €(41.8) million.

10.2. Changes in Adjusted Shareholders' Equity and Adjusted Financing Between the Financial Year ended December 31, 2014 and the Financial Year ended December 31, 2013

ADJUSTED SHAREHOLDERS' EQUITY

Equity attributable to the Group amounted to €4,363.4 million as of December 31, 2014, compared to €4,156.8 million as of December 31, 2013. This increase primarily resulted from the net income realized over the period (€436.6 million), the capital increase (€11.7 million) and the increase in foreign currency translation reserve (€239.2 million) partly offset by the dividend paid in 2014 (€206.5 million, *i.e.* €1.85 per share) and the decrease in fair value reserves (€294.4 million).

As of the date of this Reference Document, there are no restriction on the use of capital that had any impact over the 2014 financial year or may significantly affect Technip's business.

ADJUSTED FINANCING STRUCTURE

As of December 31, 2014, the Group had various unutilized sources of financing for a total amount of €1,347.5 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 honour 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, 2014, 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 and finally the commercial papers issued by Technip.

Over the financial year 2014, the average rate of the fixed rate debt was 3.94% compared to 3.72% in 2013. Over the same period, the average rate of the Group's overall debt (fixed and floating rate) was 3.90% compared to 3.73% per year in 2013. 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.

11 Research and Development, Patents and Licenses

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 downstream technologies for the processing of hydrocarbons.

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, Frankfurt, Kuala Lumpur and Rio de Janeiro. As of December 31, 2014, these teams comprised approximately 300 employees. The R&D sites helped Technip file 37 patents in 2014, 51 patents in 2013 and 39 patents in 2012.

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 2014 and 2013, Technip's R&D expenditures amounted to € 82.6 million and €75.5 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 calculating these figures.

SUBSEA

In 2013, following the inauguration of its Innovation and Technology Center ("ITC") in Rueil-Malmaison near Paris, the Group pursued its strategy to further enhance and drive Technip's focus on subsea technology development. ITC, which is at the heart of Technip's Subsea technology network, acts as the central hub for the management of Subsea technology development, by coordinating and consolidating the efforts of the dedicated R&D centers worldwide, to ensure that Technip's R&D projects are organized into suitable programs, fully aligned with the strategic market orientations defined as part of a global technology vision. These R&D programs focus on ultra-deep water, difficult reservoir 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 three-year R&D plan, ensuring that an adequate balance is achieved and defined, between "blue-sky" efforts focusing on expanding Technip's technological solutions portfolio by developing novel "game changing" technologies, and "consolidation/product enhancement" efforts to defend and further extend the performance of Technip's current proprietary products.

Throughout 2014, Technip continued to actively engage with its clients' technology stakeholders, by promoting open innovation and early involvement in field development programs. These relationships have facilitated dialog with operators and the consideration of alternative field development scenarios as well as Technip's new technologies, either recently qualified or in the final stage of development. Such open discussion is also key for

Technip to identify technology gaps in the portfolios of operators that may be addressed through the adjustment or re-orientation and prioritization of a number of R&D projects.

In 2014, the traditional R&D activities of the Subsea segment continued to define the core of Technip's Subsea R&D activities. This included the ongoing development of technologies related to flexible pipes, "reeled" rigid pipes and umbilical products, as well as advanced monitoring and inspection tools, 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 meeting 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 into 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 completed, providing another application for CFA, in addition to their use in UDW risers;
- the extension of the range of application for active heating technologies such as 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. Phase 2 of this program is currently under way;
- the qualification of aluminum-core conductor power cables to enable umbilicals to operate at significantly greater depths than is possible, with current copper conductor electrical cables;
- the development of "smart" riser systems whose operational integrity and production parameters can be monitored; and
- the launch of a new initiative to develop a state-of-the-art, multi Non-Destructive Testing (NDT) technologies inspection tool for flexible pipe riser in service.

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, often in cooperation with technology partners, to enlarge Technip's technical offering, and (iii) the deployment of design solutions to maintain performance and safety at lower cost.

The main objectives of R&D efforts are the following:

- 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 NOx and CO_2 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 minimize NOx 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 LNG 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 and 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; and
- 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 and petrochemicals complexes.

In 2014, the major achievements and highlights of the Offshore R&D activities can be summarized as follows:

- a number of initiatives were pursued to enhance the safety of FLNG platforms both internally and through Technip-led JIPs (Joint Industry Projects, research programs involving several companies that share common issues). These included the ongoing development of software to predict the extent and impact of potential LNG spillages and the further evaluation of different cryogenic coating materials to provide suitable protection;
- a major study was conducted to assess the benefits of subsea processing (displacing a section of the separation process toward the seabed) using an integrated approach whereby the impact on platform facilities is also considered in detail. The results of this study will enable Technip to offer best-in-class advice to operators as to the most efficient facilities architecture, to develop a particular deepwater field.
- an ice basin testing was performed on a series of different gravity base foundation designs and finalized Version 1 of a novel ice simulation program, under our continued cooperation with Cervval (a specialized software company located in France) and Bureau Veritas to develop an ice-modeling simulation program. These and other cold environment initiatives, such as concrete platforms research, are preparing Technip for future projects in ice prone areas including the Arctic;
- a novel gas-to-liquids technology was studied for the monetization of associated gas for oil projects where gas export or injection is impractical or uneconomic;

- the development of Technip's floating platform and riser design tools that can be used throughout the Group was pursued. They are particularly well suited to executing projects locally where high national content is required.

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.

The Group's R&D activities are coordinated on a global basis to ensure a broad benefit from their results. In 2015, Technip expects that its talented and dedicated teams, located in Technip's centers around the world, will continue to create innovative solutions for the offshore industry that will improve safety of its facilities and respect for the environment, develop world-class standards and deliver fit-for-purpose solutions that meet the challenges of a changing market.

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 January 31, 2015, Technip held the rights to approximately 600 patent families (*i.e.*, approximately 4,600 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 Air Products, Axens, BASF and UOP). They are implemented on a project-by-project basis.

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. Since this acquisition, Technip has pursued its efforts to further enlarge its portfolio of technological alliances.

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 Topsöe, 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.

For the Offshore market, Technip 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 was developed to predict ice behavior in shallow waters 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 2014, the framework partnership agreement was renewed. Technip, with IFPEN, has been developing new materials such as the anti-H2S sheath that prevents H2S from coming into contact with metallic load bearing wires in the flexible pipe, allowing 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 pipes 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, including very high pressure CO_2 environments (so-called “super-critical state” CO_2). Such testing is key to validate the long-term performance of flexible pipes in conditions such as those of Brazil’s pre-salt developments.

In 2011, the establishment of a strategic partnership agreement with the French Atomic Energy Commission (“CEA”) gave Technip a broad view of the technologies available to other industries and how they may contribute to Technip’s overall strategic R&D program, in particular for the development of smart and active technologies incorporated into flexible, rigid and umbilical products. Some development programs initiated with the CEA are in the final qualification stage such as “morphopipe”, a network of sensors embedded into the flexible riser to provide live curvature monitoring and assessment of its remaining service life. The development of a collaborative robot has progressed well and the first pilot prototype is currently being trialed in our plant in Le Trait. Another project using CEA expertise in Non Destructive Testing (NDT) simulation is aiming to reduce the time and cost of AUT qualification (Automatic Ultrasonic Testing) required for rigid pipeline welding on increasingly more projects. In 2014, the partnership, which was initially set for three years, was renewed.

In 2014, 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.

Technip is also involved in common R&D initiatives with some of its 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.

At year-end 2014, Technip completed the acquisition of the polymer technologies of Air Liquide to create a new center of excellence, located in Frankfurt (Germany) and specialized in the technologies required to produce polyester and polyamide. This acquisition enabled Technip to enlarge its portfolio of technologies and to position the Group as a world leading player in the markets for polyester and polyamide.

During 2014, Technip took a controlling shareholding in Inocean and an interest in Kanfa, both companies being based in Norway. Inocean has a strong expertise in hull design including FPSOs, semi-submersible and drillship designs. Kanfa has expertise in the modular design of topside production systems. Both companies have extensive experience of Norwegian sector projects and standards. They provide services to the owners of leased FPSOs, a market that was not addressed by Technip. Both companies have expertise in facilities designed for cold climates/harsh environments.

Technip’s intention is to support both companies, enabling them to expand their existing businesses, as well as using their skills to support Technip’s projects and contribute to selected R&D initiatives.

12 Information on Trends

12.1. Prospects

Technip starts 2015 in a strong position. During 2014, Technip won a record amount of new work with order intake of €15.3 billion resulting in a €21 billion backlog of high quality and diversified projects. The adjusted revenue grew 16% and adjusted operating profit reached €825 million with particularly strong performance in the technology, services and equipment parts of the business. All the employees focused hard on the Group's quality and the safety programs in 2014, with clear improvements in both areas.

Subsea delivered ahead of expectations. Operational performance was strong across all regions and the Group showed flexibility to adapt to client demands. With an adjusted operating margin of 15.3% in the fourth quarter Technip delivered 13% for the full year 2014, well ahead of the 12% floor set over a year ago. Onshore/Offshore delivered adjusted revenue higher than expected – up 12% year-on-year. Operationally, as indicated in July that it would be, conditions were challenging in a number of respects, which was reflected in a fall in full year adjusted OIFRA to €276 million.

In the market commentary in July 2014 the Group identified significant headwinds in the oil and gas services business – client capex discipline and increasing aggressiveness in negotiating value changes and claims on projects as well as irrational bidding behaviour from some competitors. Since then the oil price fall has added to these concerns and the clients are putting increasing pressure on their supply chains. This implies a prolonged, harsh slowdown in many parts of the industry.

The reaction has been strong and rapid on the elements under Technip's control. Technip brought down its SG&A expenses by €69 million in 2014, including €27 million in the fourth quarter. The total headcount has fallen from close to 40,000 at its peak in the second quarter 2014 to 38,200 at year end. The Group has exited four non-core activities over the year. The fleet has been substantially reduced to a total of 27 high-performance vessels, setting a strong basis to improve utilization and operational performance. Cost reduction and efficiency plans are in place to sustain the performance in 2015.

Technip's record backlog enabled to reinforce its bidding discipline, targeting projects where value-added as brought to clients enabling Technip to earn an appropriate return at acceptable risk. Despite the challenging market, the Group sees continued opportunities in many of our regions and activities.

The Group invested and recruited in 2014 selectively. In technology, Technip acquired the Zimmer polymer business at year-end. In equipment, the Group launched an upgrade of FlexiFrance manufacturing plant following the completion of investments in umbilicals in the UK and flexibles at Açu in Brazil whose performance was excellent in the second half of the year. Technip will continue its capex discipline: the net capex was €314 million in 2014, and is expected to fall in 2015 and 2016. Regarding talent, Technip continued to develop them and add specific skills in the engineering teams and to view the current market as an opportunity to hire additional exceptional people into Technip.

Regardless of the oil price level, clients have stressed their need to improve the design and running costs of their facilities. Technip has the conceptual engineering skills and innovative technology which can enable them to improve substantially the returns on its projects, including in deep offshore or remote areas. Through early engagement with clients, Technip has been able to deliver substantial optimization for them. The Group will continue to add expertise to broaden its position as a valued partner for its client base, in particular by working more closely with partners in adjacent areas of Subsea.

For 2015, based on a record €21 billion backlog, the Group is able to give clear guidance for revenue and profit growth and the main focus will again be on delivering their projects in line with the clients' expectations. Technip is not only managing its own costs but clients increasingly see the Group's range of technologies, services, products and project experience as compelling in managing their project costs too. With all of this in mind, combined with Technip's robust balance sheet, it maintains its progressive dividend policy and propose an 8% increase with a scrip alternative with a 10% discount, reflecting its confidence in its ability to create value in the coming years for all the stakeholders.

Full year 2015 outlook

Adjusted Subsea revenue between €5.2 billion and €5.5 billion, adjusted operating income from recurring activities between €810 million and €840 million.

Adjusted Onshore/Offshore revenue around €6 billion, adjusted operating income from recurring activities between €250 million and €290 million.

12.2. Financial Communications Agenda

The financial communications agenda for 2015 is as follows:

April 23, 2015	2015 First Quarter Results
April 23, 2015	Annual Shareholders' Meeting
July 30, 2015	2015 Second Quarter and First Six Months' Results
October 29, 2015	2015 Third Quarter Results

13 Profits Estimates and Forecasts

None.

14

Administrative, Management, Supervisory Bodies and Senior Management

Compliance with Code

Pursuant to Article L. 225-37 of the French Commercial Code, the Company states that it refers to and voluntarily complies in full with the AFEP-MEDEF corporate governance code for listed companies, which is a combination of the AFEP-MEDEF report of October 2003, the AFEP-MEDEF recommendations of January 2007 and October 2008 on the compensation of executive directors of listed companies and the recommendation of April 2010 on the increase women serving 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 January 31, 2015, 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, and a diversity of nationality and skill.

The average age of the Directors is 58.

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 compliance 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 reached, ahead of schedule, the second threshold of 40% to be achieved in 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 16, 2015, 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 state 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 for less than 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 on February 17, 2015.

As of January 31, 2015, 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 January 31, 2015, 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 57 – 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 ended December 31, 2014 to be held on April 23, 2015.
Gérard Hauser Corporate Director 89, avenue de la Grande Armée – 75116 Paris 73 – 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 IFP Énergies nouvelles 1 et 4, avenue de Bois-Préau – 92852 Rueil-Malmaison Cedex 65 – 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 ended December 31, 2014 to be held on April 23, 2015.
Pascal Colombani Chairman of the Board of Directors of Valeo 43, rue Bayen – 75017 Paris 69 – 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 ended December 31, 2014 to be held on April 23, 2015.
Leticia Costa Dean Graduate Programs at Insper Rua Quatà, 300 – 04546-042 – São Paulo – SP – Brazil 54 – 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 ended December 31, 2014 to be held on April 23, 2015.
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 49 – 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 64 – 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 ended December 31, 2014 to be held on April 23, 2015.
Manisha Girotra Chief Executive Officer of Moelis & Company India Private Limited Suite 3103 – Hotel Four Seasons Dr E. Moses Road, Worli – Mumbai 400018 – India 45 – 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 – NO-0180 – Oslo – Norway 49 – 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 38396 – Dubai Industrial Park – Dubai – United Arab Emirates 59 – 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 ended December 31, 2014 to be held on April 23, 2015.
Joseph Rinaldi Partner in Davis Polk & Wardwell Davis Polk & Wardwell – 450 Lexington Avenue – New York NY 10017 – USA 57 – Australian, Italian and American	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 33, avenue Émile Zola – TSA 55 555 92649 Boulogne-Billancourt 58 – 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, Thierry 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).

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 a graduate of *École Normale Supérieure* (Saint-Cloud) and holds a doctorate in Nuclear Physics. His career has been balanced between research and industry: he started as a research associate at the French National Centre for Scientific Research (CNRS) then joined Schlumberger where he spent almost 20 years in various management positions in Europe, the USA, and Japan. In this last assignment, while President of Schlumberger KK in Tokyo, he also initiated the implantation of an R&D centre in China. Director of Technology at the French Ministry of Research from 1997 to 1999, he became Chairman and Chief Executive Officer of the French Atomic Energy Commission (CEA) in 2000 until December 2002. He initiated the restructuring of the CEA industrial holdings, resulting in the creation of Areva in 2000, the nuclear engineering conglomerate. He chaired the Supervisory Board of Areva until 2003. Pascal Colombani is chairman of the Advisory Board of A.T. Kearney in Paris and a member of the European Advisory Board of JPMorgan Chase. He is also non-executive chairman of the Board of Directors of Valeo, a member of the Board of Technip, and chairman of the Board of Noordzee Helikopters Vlaanderen (NHV) in Belgium. He is a member of the French Academy of Technologies and of the French National Strategic Council for Research.

Leticia Costa is a partner in Prada Assessoria since 2010. In May 2011, she 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 and Votorantim Metais, both privately held companies 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. 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. She was a member of the *Collège de l'Autorité des Marchés Financiers* (the French Financial Market Authority) from 2008 to 2014.

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 Gjørv 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 Gjørv 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 President 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. 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

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 ended December 31, 2014 to be held on April 23, 2015.

At its meeting of April 28, 2011, the Board of Directors (i) renewed Thierry Pilenko as Chairman of the Board of Directors, (ii) 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 (iii) renewed Thierry Pilenko as Chairman and Chief Executive Officer (CEO) for the duration of his term of office with the Board of Directors. Technip also reinforced existing control mechanisms in creating 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 ended December 31, 2014 to be held on April 23, 2015.

In connection with the proposal to renew Thierry Pilenko's mandate, the combination of the positions of Chairman of the Board of Directors and of CEO was again debated. During the meeting of the Board of Directors held on February 17, 2015, based on the recommendation of the Ethics and Governance Committee, the directors decided unanimously to maintain the combination of the positions of Chairman of the Board and CEO. Additionally, the Board contemplates periodically re-examining this matter in the future. The reasons which led the Board of Directors to this decision are detailed in the presentation of the seventh to twelfth resolutions in Annex G of this Reference Document.

At the date of this Reference Document, the Board of Directors had not appointed an Executive Vice President *(Directeur Général Délégué)*.

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 specialized Committees: an Audit Committee, a Nominations and Remunerations Committee and a Strategic Committee, 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 performed 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 January 31, 2015, the Audit Committee's members were as follows:

Member	Title	Date of first appointment
Pierre-Jean Sivignon	Chairman(*)	April 25, 2013
Pascal Colombani	Member	October 23, 2012
Leticia Costa	Member	April 25, 2013
Marie-Ange Debon	Member	October 26, 2010
Alexandra Bech Gjørv	Member	October 23, 2012

(*) Chairman since April 24, 2014.

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 January 31, 2015, 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 and the requirements of Article 16.1 of the AFEP-MEDEF Code. 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 17).

As of January 31, 2015, the Nominations and Remunerations Committee's members were as follows:

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

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 January 31, 2015, 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 and 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 January 31, 2015, 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
Gérard 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 January 31, 2015, 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 January 31, 2015, the Ethics and Governance Committee's members were as follows:

Member	Title	Date of first appointment
C.Maury Devine	Chairman (*)	April 25, 2013
Olivier Appert	Member	December 9, 2008
Alexandra Bech Gjørv	Member	April 25, 2013
Joseph Rinaldi	Member	April 30, 2009

(*) Chairman since April 24, 2014.

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 January 31, 2015, 75% of the Ethics and Governance Committee's members were independent directors.

The Committee appoints its Chairman and its Secretary.

14.4. Statements on the Administrative, Management and Supervisory Bodies and the Senior Management

14.4.1. ABSENCE OF FRAUD JUDGMENT, BANKRUPTCY PROCEDURE, CRIMINAL OR OFFICIAL SANCTION

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.

14.4.2. ABSENCE OF POTENTIAL OR RECOGNIZED 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's knowledge, excluding 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 the members of the Board of Directors or the Management concerning the transfer of their holding in the Company's share capital.

14.4.3. 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.

15 Compensation and Benefits

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 years 2013 and 2014 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	2013 financial year	**2014 financial year**
Thierry Pilenko, Chairman and Chief Executive Officer [(a)]		
Compensation due in respect of the financial year	1,758,330	1,984,608
Valuation of the stock options awarded during the financial year [(b)]	678,248	-
Valuation of the performance shares awarded during the financial year [(c)]	1,588,657	-
TOTAL	**4,025,235**	**1,984,608**

(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 2013 and 2014 is as follows:

2. Summary table of the compensation of Thierry Pilenko, Chairman and Chief Executive Officer

Thierry Pilenko, Chairman and Chief Executive Officer	2013 financial year		2014 financial year	
In Euro	Due	Paid	Due	Paid
Fixed compensation	900,000	900,000	900,000	900,000
Variable compensation [(a)]	858,330	858,330	904,608	904,608
Extraordinary compensation [(b)]	-	-	180,000	180,000
Directors' fees [(c)]	-	-	-	-
Fringe benefits [(d) (e)]	7,011	7,011	4,211	4,211
TOTAL	**1,765,341**	**1,765,341**	**1,988,819**	**1,988,819**

(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) Due amount for the 2011 Cash Plan.

(c) Thierry Pilenko does not receive any Directors' fees for the positions he holds as a Company Director or in the Group's companies.

(d) Company car. Since 2014, Thierry Pilenko has no Company car at disposition for his private trips.

(e) Since 2014, a complementary health insurance was subscribed for Thierry Pilenko including repatriation assistance.

Under the 2011 Plan, the definitive acquisition is governed by the arithmetical average of the two best of the three metrics (TRCF, OIFRA, Order intake) over the fiscal years 2011, 2012, 2013.

The rate of achievement for each of these criteria is given in the table hereafter. Therefore the definitive acquisition under the 2011 Cash Plan reaches 100%.

Cash Plan	Rate of achievement	Actual
Group Safety performance: TRCF (Total Recordable Case Frequency) [(1)]	85%	0.26
Group OIFRA	121%	€2.382 Bn
Order Intake	125%	€31.574 Bn

(1) The frequencies are calculated by 200,000 hours worked.

The gross individual amounts of directors' fees for financial year 2013, which were paid in January 2014, and for financial year 2014, which were paid in January 2015 to each Board member were as follows:

3. Directors' fees table

Board members	Directors fees paid for the 2013 financial year (in Euro)	Directors fees paid for the 2014 financial year (in Euro)
Olivier Appert	58,500	49,860
Pascal Colombani	89,000	79,360
Leticia Costa	72,000	77,360
Marie-Ange Debon	61,000	59,360
C. Maury Devine	76,000	84,860
Manisha Girotra	43,666	60,360
Alexandra Bech Gjørv	68,000	71,360
Gérard Hauser	87,500	88,860
Marwan Lahoud	13,333	N/A
John O'Leary	72,500	76,860
Joseph Rinaldi	78,000	73,360
Pierre-Jean Sivignon	40,666	74,360
Thierry Pilenko	-	-
TOTAL	**760,165**	**795,960**

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 2014 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 2014 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	-	-	-	-	-	-

The Board of Directors did not grant any share purchase or share subscription options to Thierry Pilenko in 2014.

The share purchase options or share subscription options exercised during financial year 2014 by the Chairman and Chief Executive Officer, as executive director are as follows:

5. Share subscription or purchase options exercised during financial year 2014 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	2008 Plan Tranche 1 July 1, 2008	80,000	€58.15	2008

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 share purchase 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 2014 is as follows:

6. Performance shares granted during the 2014 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	-	-	-	-	-	-

The Board of Directors did not grant any performance shares to Thierry Pilenko in 2014.

The total amount of performance shares which became available for the Chairman and Chief Executive Officer, as executive director, during financial year 2014 is as follows:

7. Performance shares which became available for each executive director for financial year 2014

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	20,000 (*)	€79.30	June 17, 2011	June 17, 2014 (1)	2011 Plan Tranche 1

* The acquisition of the performance shares granted by the Board of Directors on June 17, 2011 is conditional upon the achievement of a Reference Performance to be measured on 2011, 2012 and 2013 fiscal years by the results of the Group over three consecutive years in terms of Health Safety & Environment (HSE), Operating Income From Recurring Activities (OIFRA) and Net Cash Generated from Operational Activities metric. In accordance with Plan's rules, 100% of the shares have been acquired.

(1) These shares are unavailable for a period of two years i.e. until June 17, 2016 (for a complete description of the performance share plans: see Section 17.2.4 of this Reference Document).

Performance criteria for 2011 Plan of performance shares are described in 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

	2nd additional grant to Tranches 1, 2 and 3 of the 2005 Plan	2008 Plan	2009 Plan	2010 Plan Tranche 1	2010 Plan Tranche 2	2010 Plan Tranche 3
	Subscription options	Purchase options	Subscription options	Subscription options	Subscription options	Subscription options
Date of Shareholders' Meeting	April 29, 2005	May 6, 2008	April 30, 2009	April 29, 2010	April 29, 2010	April 29, 2010
Date of Board of Directors' meeting	June 12, 2008	July 1, 2008	June 15, 2009	June 23, 2010	December 15, 2010	March 4, 2011
Number of options granted	106,858 (1)	953,100 (2)	1,093,175 (3)	1,102,300 (4)	19,400 (4)	81,300 (5)
Subscription/purchase price per option	€59.96	€58.15	€34.70	€51.45	€63.23	€72.19
Option exercise start date	June 12, 2012	July 1, 2012	June 15, 2013	June 23, 2014	December 15, 2014	March 4, 2015
Expiry date*	June 12, 2014	July 1, 2014	June 15, 2015	June 23, 2016	December 15, 2016	March 4, 2017
Total number of options available for subscription/purchase as of December 31, 2014	-	-	477,392	882,133	17,400	70,700
Number of options that may be subscribed/purchase as of December 31, 2014 by the Chairman and Chief Executive Officer, corporate officer**	N/A	-	109,000	109,000	N/A	N/A
Number of shares subscribed/purchased as of December 31, 2014	97,858	881,810	538,333	128,467	-	-
Number of options canceled as of December 31, 2014	9,000	71,290	77,450	91,700	2,000	10,600

* 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 *mandataires sociaux* are not beneficiaries of Plans.

(1) 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 share purchase 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.

2011 Plan Tranche 1	2011 Plan Tranche 2	2011 Plan Tranche 3	2012 Plan Tranche 1	2012 Plan Tranche 2	2013 Plan Tranche 1	**2013 Plan Tranche 2**
Subscription options	Subscription options	Subscription options	Subscription options	Subscription options	Subscription options	Subscription options
April 28, 2011	April 28, 2011	April 28, 2011	April 26, 2012	April 26, 2012	April 25, 2013	April 25, 2013
June 17, 2011	December 14, 2011	March 2, 2012	June 15, 2012	December 12, 2012	June 14, 2013	January 10, 2014
339,400 (6)	53,900 (6)	49,007 (6)	284,700 (7)	35,350 (7)	323,200 (8)	16,520 (8)
€72.69	€66.94	€78.39	€74.54	€87.13	€85.73	€68.47
June 17, 2015	December 14, 2015	March 2, 2016	June 15, 2016	December 12, 2016	June 14, 2017	January 10, 2018
June 17, 2018	December 14, 2018	March 2, 2019	June 15, 2019	December 12, 2019	June 14, 2021	January 10, 2022
330,700	43,600	47,507	278,100	34,950	321,500	16,520
70,000	N/A	N/A	55,000	N/A	50,000	N/A
-	-	-	-	-	-	-
8,700	10,300	1,500	6,600	400	1,700	-

(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 Boards of Directors on June 14, 2013 and January 10, 2014 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%.

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 2014 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)	13,520	€68.47	January 10, 2014 [(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)	56,750	€51.36	June 12, 2008 July 1, 2008 June 15, 2009 June 23, 2010

(a) The number of shares resulting from the exercise of share purchase or share subscription options granted by the Board of Directors on January 10, 2014 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 2014 was €795,960. 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 2013 and 2014 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, 2014 approved the following distribution of directors' fees for 2014:

- a fixed amount of €366,960 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.* €33,360 per director, adjusted, if needed, on a prorata basis;
- an additional amount of €2,000 per Board meeting distributed among directors (other than the Chairman and CEO), depending on the attendance rate of the Board members for 2014, 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 2014, 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 (Hay and Towers Watson), 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 2014);
2. Industrial and engineering companies belonging to CAC 40 and SBF 80 (33 companies in 2014);
3. European oil companies (nine companies in 2014); and
4. US oil companies based in Texas (20 companies in 2014).

The compensation of the Chairman and Chief Executive Officer is composed of both a fixed and a variable portion.

For 2014, the aggregate amount of compensation paid by the Company to Thierry Pilenko amounted to €1,988,819 (see Section 15.1.1, Table 2, for further details).

In accordance with Article 23.2.2 of the AFEP-MEDEF Code, the fixed portion is reviewed at relatively long intervals since the base gross compensation (fixed portion) of Thierry Pilenko has remained unchanged since 2011.

The variable portion of compensation is based on the fixed compensation for the previous year. For 2014, 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 in part directly linked to Technip's strategy and cannot be detailed 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 2014: 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 (Health/Security/Environment) criteria which is key to the Group;
- criteria linked to human resources such as diversity including 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 2014, which is capped at 200% of the target variable portion.

Based on the actual rate of achievement of objectives set for 2014 the variable compensation of Thierry Pilenko as mentioned hereabove has been calculated as follows. It was considered by the Nominations and Remunerations Committee on February 16, 2015 and set by the Board of Directors on February 17, 2015:

Weight	Nature	Scale	Effective realization	Weighted realization	Actual amounts
70%	**Financial objectives:** OIFRA, gross margin on order intake	0 to 200%	100-110%	73.3%	€659,610
30%	**Individual objectives**	0 to 200%	90.7%	27.2%	€244,998
100%				100.5%	€904,608

The variable portion due to Thierry Pilenko for financial year 2014 is thus €904,608 and will be paid in 2015.

Furthermore, on December 10, 2014, the Board of Directors resolved, for long-term considerations, 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 2017 and 2018 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 2014, 2015 and 2016, 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 2014 amounted to €24,030.

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 that 45% of the reference income *i.e.* 21.4. The ratio for Thierry Pilenko complies with this condition.

No share subscription or purchase options nor performance shares were granted to Thierry Pilenko over financial year 2014.

In financial year 2014, Thierry Pilenko exercised 80,000 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.

In view of the proposal to renew the mandate of Thierry Pilenko, the Board of Directors, upon recommendation of the Nominations and Remunerations Committee, propose 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 would be the average of the gross annual compensation paid over the last three years, the payment of which would be paid on a monthly basis.

15.2. Compensation and Retirement Commitments of the Group's Principal Executives

15.2.1. COMPENSATION OF THE GROUP'S PRINCIPAL EXECUTIVES

In 2014, 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 during the whole year 2014 (*i.e.,* the seven members of the Excom of the Group) amounted to €5,025,449. The variable portion represented 29.5% 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 2014, amounted to €6.2 million.

15.2.2. RETIREMENT COMMITMENTS

In 2014, payment made by Group companies under supplementary retirement plans applicable to the principal executives discussed above amounted to €0.1 million. The recorded expense related to the retirement income guarantee plan for Executive Committee members amounted to €1.3 million in 2014.

As of December 31, 2014, the amount for retirement commitments for Executive Committee members amounted to €9.2 million.

16 Board and Management Practices

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 specialized 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).

Extract 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) In accordance with Article 1.3 of the AFEP-MEDEF Code, the Board of Directors' internal rules are available on the Company's website.

16.1.2. THE BOARD OF DIRECTORS' WORK IN 2014

During financial year 2014, the Board of Directors met 10 times. The attendance rate for all directors was 96%. The average duration of the Board of Directors' meetings was approximately four hours and a half.

Members of the Board of Directors	Attendance rate of the meetings of the Board of Directors in 2014
Thierry Pilenko	100%
Olivier Appert	86%(*)
Pascal Colombani	100%
Leticia Costa	90%
Marie-Ange Debon	90%
C. Maury Devine	100%
Manisha Girotra	90%
Alexandra Bech Gjørv	100%
Gérard Hauser	100%
John O'Leary	90%
Joseph Rinaldi	100%
Pierre-Jean Sivignon	100%

(*) Due to the conflict of interests concerning Olivier Appert, director of both Technip and CGG, in accordance with Article 20 of the AFEP-MEDEF Code, the latter decided not to attend to the meetings of the Board of Directors for which the agenda was dedicated to the project of merger between Technip and CGG. His attendance rate was calculated taking into account this fact.

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 2014, 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 2013, the half-year consolidated financial statements for financial year 2014, 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 2014 upon recommendation of the Audit Committee;
  - review of the 2015 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;
  - review and validation of the non-binding opinion on the components of the compensation of the Chairman and Chief Executive Officer ("say on play") to be presented to the shareholders.
- Decisions, including those regarding:
  - the determination of the Chairman and Chief Executive Officer's compensation and of his objectives for 2014;
  - the composition of the specialized Committees of the Board of Directors;
  - the list of qualified "independent directors";
  - the distribution of directors' fees;
  - the implementation of the authorization of 2014 Annual General Meeting relating to repurchase of shares;
  - several acquisition and disposal projects in different business sectors including process technology and subsea;
  - the grant of one tranche of options, the grant of two tranches 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.

At the end of each Board meeting, directors only, including the Chairman and Chief Executive Officer meet (executive sessions). In all cases when debates personally relate to the Chairman and Chief Executive Officer (CEO) (assessment of his performances, set up of his compensation, renewal of his mandate), directors meet without the presence of the latter.

In 2014, 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.

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. He had exchanges with the Chairman and CEO on operational issues of the Group and on the evolution of some persons belonging to the top management. 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 1, 2015, 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
Knut Boe	President North Sea Canada	01/13/2014
John Harrison	Group General Counsel	12/03/2007
Hallvard Hasselknippe	President Subsea	01/13/2014
Thierry Parmentier	Group Human Resources Director	06/22/2009
Nello Uccelletti	President Onshore/Offshore	01/01/2008
Julian Waldron	Group 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 15 times in 2014.

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 17, 2015.

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 Group 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 accordance with Article 16.3 of the AFEP-MEDEF Code. In particular, the Committee may interview persons involved in the preparation or control of the accounts (Group Chief Financial Officer and main managers of the Financial Division, the Audit Director and Group General Counsel).

The Audit Committee also interviews the Statutory Auditors and may do so outside the presence of Company representatives.

The Audit Committee can call upon outside experts as needed making sure they have the requisite skills and independence.

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 2014, the Committee met six times with an attendance rate of 93%.

In 2014, the Audit Committee's work included the review of the following main matters:

- the 2014 Internal Audit Plan;
- the 2014 audit budget;
- the Statutory Auditors' fees;
- the results of the Internal Control works in 2013;
- the results of the Internal Audit works in the second half of 2013;
- the results of the Internal Audit works performed during the first half of 2014 as well as the status of remediation plan for audit mission performed in the second half of 2013;
- the annual financial statements for 2013 and the financial information for the fourth quarter of 2013;
- financial information for the first quarter of 2014;
- financial information for the second quarter of 2014 and of the Consolidated Financial Statements for the first half of 2014;
- financial information for the third quarter of 2014;
- the review of the presentation of accounting standards evolution;
- the monitoring of tax risks;
- the status of specific contracts to be monitored;
- the review of treasury matters and forex exposure management;
- the review of Enterprise risk management report relevant to first quarter 2014.

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 allocated in 2014 and 2013 are detailed 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, 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 specialized 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 2014, the Committee met seven times with an attendance rate of 100%.

In 2014, 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 2014.
- With respect to appointments:
  - list of directors qualified as independent directors;
  - amendments to the composition of Board Committees.
- With respect to compensation:
  - compensation for the Chairman and Chief Executive Officer and more precisely the non-binding opinion on the components of his compensation ("say on pay") to be presented to the shareholders;
  - 2014 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 2014;
  - results of the performance conditions for incentive plans effective in 2014;
  - first analysis of the conditions of TIRP 2015;
  - audit of incentive plans;
  - distribution of directors' fees for 2014.

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 allocated in 2014 and 2013 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 2014, the Committee met twice with an attendance rate of 100%.

In 2014, 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 2015 budget as well as the 2015-2017 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 allocated in 2014 and 2013 are detailed 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 rule and proposes improvements to its operating practices.

The Committee's internal rules require it to meet at least twice per year.

During financial year 2014, the Committee met twice with an attendance rate of 88%.

In 2014, the Ethics and Governance Committee's work mainly focused on its proposals to the Board of Directors on the following matters:

- With respect to Ethics:
  - Activity Report submitted by teams dedicated to ethics;
  - follow up of actions initiated the previous years regarding risk country specificities;
  - report on the implementation on the three-year review program regarding validations of commercial consultants worldwide in 2014.
- With respect to Governance:
  - in-depth Board of Directors assessment and actions plan;
  - Annual General Meeting road show feed back.

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 allocated in 2014 and 2013 are detailed 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 provisions of its internal rules and with the provisions of the AFEP-MEDEF Code (Article 10), the Board of Directors formally evaluates, at intervals of no more than three years, its operating policies, in order to:

- review its operating methods;
- verify that important questions are appropriately prepared and discussed;
- assess the contribution of each director to the Board's work through his or her expertise and involvement in discussions.

The purpose of this evaluation is to ensure adherence to the Board's operating policies and to identify ways to improve its performance and effectiveness.

The last in-depth evaluation dated back to 2011, such a new evaluation was conducted in 2014 with the assistance of CT Partners, an external consultant.

This in-depth evaluation concluded on July 22, 2014, to a globally positive appreciation while identifying some improvement issues.

The report however proposes some improvement issues among which the following:

- the formalizing of the induction program for new directors and for directors during their mandates;
- a specific focus on the follow up of strategic issues;
- the composition of Committees taking more into account the operational background of their members.

16.5. Contracts Between the Board Members and the Company or One of the Group's Companies

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.

17 Employees

17.1. Workforce [1]

17.1.1. CHANGES AND ORGANIZATION

Social data of companies recently acquired and not present during the entire year are consolidated in all chapters, except for those entitled "Absenteeism" and "Training" from the current section. In 2014, the scope of social reporting evolved pursuant to the following transactions: the sale of Technip TPS and the divestment with the sale of Technip's majority share in Seamec Limited.

(a) Changes and Breakdown

	December 31,		
Breakdown of total workforce by contract	2014 [1]	2013 [1]	2012 [1]
Employees on payroll	**32,367**	**32,243**	**30,241**
Permanent employees	28,862	28,593	26,279
Temporary employees (fixed-term)	3,505	3,650	3,962
Contracted workforce	**5,930**	**6,588**	**6,267**
Contracted workers at industrial sites (plants, spoolbase and yard) and fleet	1,778	2,537	2,749
Other contracted workforce (agency personnel and contracted workers not at industrial sites and fleet)	4,152	4,051	3,518
TOTAL WORKFORCE	**38,297**	**38,831**	**36,508**

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

(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).

At year end 2014, the total workforce decreased by 1.4% compared to year-end 2013, with a stability of permanent employees (+269 persons) and a decrease of contracted workforce (-658 persons), particularly for contracted workers at industrial sites. The following variations were observed:

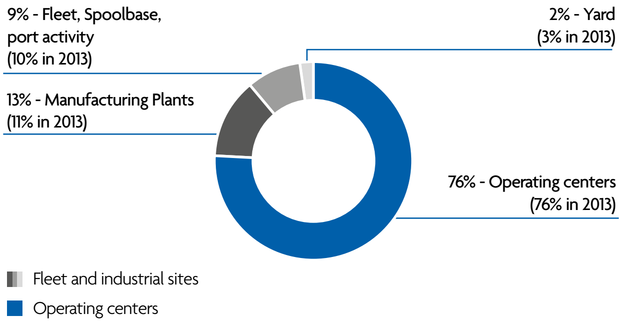
- an increase of permanent employees in Brazil, with the development of the Açu plant;
- an increase of permanent employees and contracted workforce in France, where Projects needed additional workforce;
- a decrease of permanent employees and contracted workforce in:
  - Finland, at Pori construction site, where the impact of the decrease in activity, which began in 2013, continued in 2014. Visibility on 2015 remains uncertain;
  - Asia Pacific, the United States and Mexico, due to restructuring in 2014, with the aim to adjust workforce to Projects in a tight market;
- a decrease of contracted workers at industrial sites, due to the divestment in Seamec Limited in India.

In 2014, temporary employees represented 11% of the employees on payroll, a steady percentage compared to that of 2013.

In 2014, the average number of contracted workers was 6,381.

Headcount Structure (as of December 31, 2014)

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

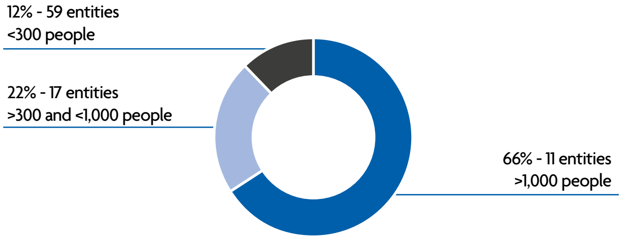


The chart above illustrates the diversity of operations and of total workforce Group-wide.

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.

The "Manufacturing plant" part is increasing with the development of the plant of Açu (Brazil) while the "Yard" part is decreasing due to the low level of activity of the construction yard in Pori (Finland).

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

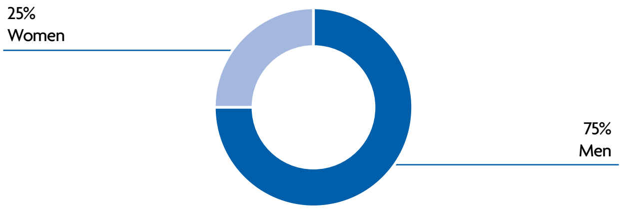


The breakdown of Technip entities demonstrates that two-thirds of employees are grouped in only 11 centres, which means that HR processes and tools can be rapidly put in place in the Group's principal centers to cover a majority of employees. Conversely, it takes more time to cover the rest of the entities as two-thirds of the Group's entities (59 of 84) have less than 300 employees.

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

Breakdown of employees on the payroll per gender, geographic zone and age (100% of employees on payroll)

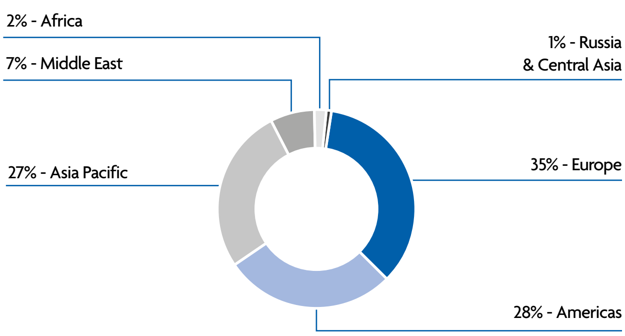
Employees per gender



Compared to 2013, the percentage of women employees was stable.

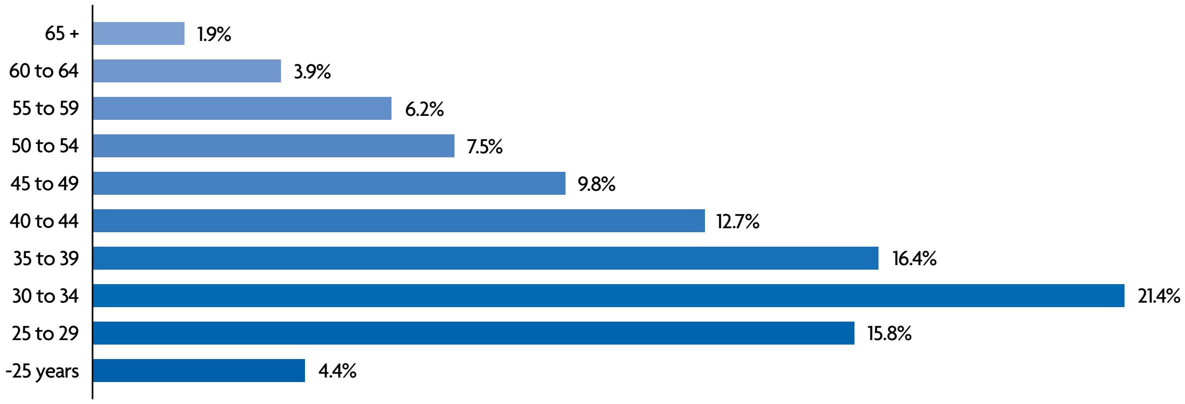
In 2015, Technip will continue to face the challenge of attracting, retaining and promoting female into the oil and gas engineering sector, which is seen as being male-dominated. See Section 3.4.1 to this Annex E of the 2014 Reference Document for more details on Diversity initiatives.

Employees per geographic zone



Compared to 2013, each geographic zone was quite stable, with a variation not exceeding +/- 0.2 percentage point.

Age pyramid in 2014 (by range in %)



In 2014, since half of the recruitments were experienced profiles, employees aged between 35-50 years old increased by 1.4 percentage point, compared to 2013.

(b) Hires and Departures

See Section 3.2.2.a of the Society and Environment Report included in Annex E of this Reference Document.

(c) Mobility

See Section 3.3.1.b of the Society and Environment Report included in Annex E of this Reference Document.

(d) Diversity

See Sections 3.4.1, 3.4.2 and 3.4.3 of the Society and Environment Report included in Annex E of this Reference Document.

(e) Organization of working hours

See Section 3.2.1.d of the Society and Environment Report included in Annex E of this Reference Document.

(f) Absenteeism (excluding acquisitions)

See Section 3.7.1 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	2014 (1)	2013 (3)	2012
TRAINING HOURS BY GENDER (2)	**901,808**	**801,392**	**863,714**
Women (2)	218,213	194,921	N/A
Men (2)	683,595	606,471	N/A
TRAINING HOURS BY TOPIC	**973,449**	**874,472**	**863,714**
Technical training	297,080	301,162	226,864
Non-technical training (including management, cross disciplines, IT and certification)	309,557	216,895	294,770
Project management training	28,051	22,990	N/A
Health, Safety, Security (including “Pulse” training)	210,508	234,769	204,092
Languages	77,168	76,397	101,223
Human rights, ethics and Technip values awareness training	29,525	22,259	36,765
Others	21,560	N/A	N/A
NUMBER OF EMPLOYEES ON PAYROLL WHO BENEFITED FROM AT LEAST ONE TRAINING DURING THE YEAR	**25,678**	**25,153**	**23,402**
Women	6,509	6,622	5,635
Men	19,169	18,531	17,767

(1) Coverage rate: 99% of employees on payroll.
(2) Excluding “Pulse” hours.
(3) Adjustments made with reference to the 2013 Reference Document.

In 2014, the number of training hours increased by 11.3% (*i.e.*, +98,977 training hours) compared to 2013. Training was more focused on non-technical training including management, cross disciplines (*e.g.*, finance, communication skills and intercultural behaviour), IT and certification.

In 2014, the number of women trained slightly decreased, but the annual average of training hours per female staff employee increased by 14% (*i.e.*, 34 training hours per year) which is close to the annual average per male staff employee (*i.e.*, 36 training hours).

Technip University delivered 6,918 hours of classroom training. Compared to 2013, the decrease by 1,500 hours is due to the new calculation of the classroom training hours, which does not take into account the time spent during lunch and break times, considering this is not part of the "classroom learning event".

In 2014, a total of 4,630 e-learnings hours were issued by Corporate. In 2014, new e-learnings, such as Malaria awareness and Global Quality program, contributed to an increase in these hours.

In 2014, an average of 80% of the employees attended training sessions (compared to 79% in 2013).

(b) Performance Appraisal

In 2014, a global performance appraisal process ran for the fifth consecutive year.

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 are processed into the system to ensure that the data is captured and the 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 following: (i) the evaluation of behavior related to the Group's four Values, (ii) the Learning & Development needs of an individual and (iii) the Career Aspirations, both short- and long-term.

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

The 2014 performance appraisal campaign, closed by the end of February 2015, covers 26,175 eligible employees. As of the date this Reference Document was written, 97.5% of eligible employees had completed their annual appraisal, which represents an increase compared to previous years and reflects a strong employees' involvement in this process.

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

17.1.3. COMPENSATION AND BENEFITS

See Sections 3.5.1 and 3.5.2 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 Section 3.6 of the Society and Environment Report included in Annex E of this Reference Document.

(b) National Content and Long-Term Relationships with Local Communities

See Sections 5 and 6 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), 58% of Technip's entities provide its personnel with various benefits, such as sporting activities, Company concierge services and assistance with transport, food, school or health expenses.

(d) Sub-Contractors

See Section 5 of Society and Environment Report included in Annex E of this Reference Document.

(e) Health, Safety and Environmental Conditions

See Sections 3.7, 3.8 and 4 of the Society and Environment Report included in Annex E of this Reference Document.

(f) Security Conditions and Crisis Management

See Section 3.9 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 2014

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 2014, 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
Gérard Hauser	Director	Shares	02/26/2014 Euronext Paris	Purchase	300	€71.6	€21,480
Olivier Appert	Director	Shares	03/13/2014 Euronext Paris	Purchase	72	€69	€4,968
Thierry Pilenko	Chairman and Chief Executive Officer	Shares	05/19/2014 Euronext Paris	Disposal	80,000	€78.2599	€6,248,270.42

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 14), which provide that a director should hold a significant number of shares.

As of January 31, 2015, 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 01/31/2015
Thierry Pilenko	163,500
Olivier Appert	976
Pascal Colombani	400
Leticia Costa	400
Marie-Ange Debon	400
C. Maury Devine	400
Manisha Girotra	400
Alexandra Bech Gjørv	400
Gérard Hauser	2,000
John O'Leary	800
Joseph Rinaldi	400
Pierre-Jean Sivignon	400
TOTAL	**170,476**

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 and outstanding as of December 31, 2014.

History of share subscription and share purchase options granted and related information

	2nd additional grant to Tranches 1, 2 and 3 of the 2005 Plan Subscription options	2008 Plan Purchase options	2009 Plan Subscription options	2010 Plan Tranche 1 Subscription options	2010 Plan Tranche 2 Subscription options
Date of Shareholders' Meeting	April 29, 2005	May 6, 2008	April 30, 2009	April 29, 2010	April 29, 2010
Date of Board of Directors' meeting	June 12, 2008	July 1, 2008	June 15, 2009	June 23, 2010	December 15, 2010
Number of options granted	106,858 (1)	953,100 (2)	1,093,175 (3)	1,102,300 (4)	19,400 (4)
Subscription/purchase price per option	€59.96	€58.15	€34.70	€51.45	€63.23
Option exercise start date	June 12, 2012	July 1, 2012	June 15, 2013	June 23, 2014	December 15, 2014
Expiry date (*)	June 12, 2014	July 1, 2014	June 15, 2015	June 23, 2016	December 15, 2016
Total number of options available for subscription/ purchase as of December 31, 2014	-	-	477,392	882,133	17,400
Number of options that may be subscribed/ purchase as of December 31, 2014 by:					
■ the Chairman and Chief Executive Officer, corporate officer (**)	N/A	-	109,000	109,000	N/A
■ the 10 employees having the largest number of options granted	-	-	113,000	153,000	17,400
Number of options subscribed/purchased as of December 31, 2014	97,858	881,810	538,333	128,467	-
Number of options canceled as of December 31, 2014	9,000	71,290	77,450	91,700	2,000
Number of beneficiaries	19	487	1,361	1,899	10

(*) 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 *mandataires sociaux* are not beneficiaries of Plans.

(1) 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.

(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 options 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.

Potential Dilution

As of December 31, 2014, 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 2,520,502 shares with a par value of €0.7625 per share, representing approximately 2.21% of the Company's share capital as of that date.

As of January 31, 2015, the potential dilutive effect of the outstanding share subscription options amounted to 2.21% 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 2014 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 2014 are detailed in Table 9 in Section 15.1.1 of this Reference Document.

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	**2013 Plan Tranche 2 Subscription options**
April 29, 2010	April 28, 2011	April 28, 2011	April 28, 2011	April 26, 2012	April 26, 2012	April 25, 2013	April 25, 2013
March 4, 2011	June 17, 2011	December 14, 2011	March 2, 2012	June 15, 2012	December 12, 2012	June 14, 2013	January 10, 2014
81,300 [5]	339,400 [6]	53,900 [6]	49,007 [6]	284,700 [7]	35,350 [7]	323,200 [8]	16,520 [8]
€72.19	€72.69	€66.94	€78.39	€74.54	€87.13	€85.73	€68.47
March 4, 2015	June 17, 2015	December 14, 2015	March 2, 2016	June 15, 2016	December 12, 2016	June 14, 2017	January 10, 2018
March 4, 2017	June 17, 2018	December 14, 2018	March 2, 2019	June 15, 2019	December 12, 2019	June 14, 2021	January 10, 2022
70,700	330,700	43,600	47,507	278,100	34,950	321,500	16,520
N/A	70,000	N/A	N/A	55,000	N/A	50,000	N/A
8,800	122,500	31,500	11,407	93,500	20,050	95,000	13,520
-	-	-	-	-	-	-	-
10,600	8,700	10,300	1,500	6,600	400	1,700	-
265	123	25	89	157	37	171	16

(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 Boards of Directors on June 14, 2013 and January 10, 2014 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, 2014:

Performance share grant	2008 Plan Tranche 3	2009 Plan Tranche 1	2009 Plan Tranche 3	2010 Plan Tranche 1	2010 Plan Tranche 2	2010 Plan Tranche 3
Date of Shareholders' Meeting	May 6, 2008	April 30, 2009	April 30, 2009	April 29, 2010	April 29, 2010	April 29, 2010
Date of Board of Directors' meeting	February 18, 2009	June 15, 2009	February 16, 2010	June 23, 2010	December 15, 2010	March 4, 2011
Number of shares granted	191,542 (1)	981,175 (2)	100,100 (3)	883,900 (4)	13,800 (4)	86,300 (5)
Share acquisition date of the tax residents	February 18, 2012	June 15, 2012	February 16, 2013	June 23, 2013	December 15, 2013	March 4, 2014
Share acquisition date of the non-tax residents	February 18, 2013	June 15, 2013	February 16, 2014	June 23, 2014	December 15, 2014	March 4, 2015
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	December 15, 2015	March 4, 2016
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	December 15, 2014	March 4, 2015
Remaining shares available for acquisition as of December 31, 2014	-	-	-	-	-	51,500
Number of shares that may be acquired as of December 31, 2014 by:						
■ the Chairman and Chief Executive Officer	N/A	-	N/A	-	N/A	N/A
■ the top 10 employees	N/A	N/A	N/A	N/A	12,300	9,300
Number of shares acquired as of December 31, 2014	177,008	919,900	87,450	798,900	12,300	22,600
Grants canceled as of December 31, 2014 or as of any acquisition date before December 31, 2013 during the 2014 financial year	14,534	61,275	12,650	85,000	1,500	12,200
Number of beneficiaries	589	1,569	263	1,910	10	264

(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.

(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.

Technip performance shares granted to, and acquired by, the Company's directors and officers *(mandataires sociaux)* during financial year 2014 are detailed in Tables 6 and 7 in Section 15.1.1 of this Reference Document.

	2011 Plan Tranche 1	2011 Plan Tranche 2	2011 Plan Tranche 3	2012 Plan Tranche 1	2012 Plan Tranche 2	2013 Plan Tranche 1	2013 Plan Tranche 2	**2014 Plan Tranche 1**
	April 28, 2011	April 28, 2011	April 28, 2011	April 26, 2012	April 26, 2012	April 25, 2013	April 25, 2013	April 24, 2014
	June 17, 2011	December 14, 2011	March 2, 2012	June 15, 2012	December 12, 2012	June 14, 2013	January 10, 2014	December 10, 2014
	355,900 (6)	37,050 (6)	49,357 (7)	430,150 (8)	126,892 (8)	492,500 (9)	73,700 (9)	50,400 (10)
	June 17, 2014	December 14, 2014	March 2, 2015	June 15, 2015	December 12, 2015	June 14, 2016	January 10, 2017	N/A
	June 17, 2015	December 14, 2015	March 2, 2016	June 15, 2016	December 12, 2016	June 14, 2017	January 10, 2018	December 10, 2018
	June 17, 2016	December 14, 2016	March 2, 2017	June 15, 2017	December 12, 2017	June 14, 2018	January 10, 2019	N/A
	June 17, 2015	December 14, 2015	March 2, 2016	June 15, 2016	December 12, 2016	June 14, 2017	January 10, 2018	December 10, 2018
	208,550	22,750	45,607	406,250	118,139	481,200	71,450	50,400
	20,000	N/A	N/A	25,000	N/A	30,000	N/A	N/A
	50,000	13,000	6,000	59,500	20,400	66,500	16,750	37,200
	124,100	6,400	-	-	550	150	-	-
	23,250	7,900	3,750	23,900	8,203	11,150	2,250	-
	1,076	39	209	1,186	542	1,410	270	16

(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. Performance criteria of this Plan are described here below.

(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. Performance criteria of this Plan are described here below.

(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 Boards of Directors of June 14, 2013 and January 10, 2014 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.

(10) The number of performance shares granted by the Board of Directors of December 10, 2014 is subject to the satisfactory performance by Technip of a Reference Performance to be measured on the periods 2014, 2015 and 2016. 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.

Assessment of performance criteria of the 2011 Performance Shares Plan (which is detailed in the above table) for final award in 2014:

According to the 2011 Plan, the final award is subject to the arithmetic mean of the two best criteria out of the three criteria (TRCF, OIFRA, Net Cash From Operational Activities) which is calculated over the years 2011, 2012 and 2013.

The achievement and the success rate for each of the three criteria are detailed in the below table. As a consequence, 100% of the granted options could be subscribed.

Criteria	Achievement Rate	Success Rate
TRCF	85%	0.26
OIFRA	121%	2,382 K€
Net Cash From Operational Activities	122%	2,427 K€

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 the year 2014 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 2014 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)	44,300	€51.00	January 10, 2014 (*) December 10, 2014 (**)	January 10, 2017 January 10, 2018 December 10, 2018	2013 Plan Tranche 2 2014 Plan Tranche 1
Performance shares of the issuer or of the aforementioned companies that were acquired during financial year 2014 by the 10 employees of the issuer or of these companies who have the largest number of performance shares (aggregate information)	58,000	€73.82	June 23, 2010 December 15, 2010 June 17, 2011 December 14, 2011	June 23, 2014 December 15, 2014 June 17, 2014 December 14, 2014	2010 Plan Tranche 1 2010 Plan Tranche 2 2011 Plan Tranche 1 2011 Plan Tranche 2

(*) The number of performance shares granted by the Board of Directors of January 10, 2014 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.

(**) The number of performance shares granted by the Board of Directors of December 10, 2014 is subject to the satisfactory performance by Technip of a Reference Performance to be measured on the periods 2014, 2015 and 2016. 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

See Section 3.5.2.b of the Society and Environment Report included in Annex E of this Reference Document.

18 Major Shareholders

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, 2014

As of December 31, 2014, to the Company's knowledge and based on notices it received, 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) (5)]	Percentage of voting rights
Franklin Resources Inc.	8,195,974	7.19%	8,195,974	6.62%
Causeway Capital Management	7,433,116	6.52%	7,422,116	6.00%
Bpifrance	5,929,398	5.20%	11,858,796	9.57%
Blackrock Inc.	5,550,722	4.87%	5,550,722	4.48%
The Capital Group Companies Inc.	5,032,395	4.42%	5,032,395	4.06%
Oppenheimer Funds Inc.	4,759,745	4.18%	4,759,745	3.84%
IFP Énergies nouvelles	2,830,917	2.48%	5,661,834	4.57%
Amundi Asset Management	2,688,938	2.36%	2,688,938	2.17%
AVIVA Plc	2,360,772	2.07%	2,360,772	1.91%
Norge Bank Investment Management	2,270,243	1.99%	2,270,243	1.83%
State Street Corporation	2,023,272	1.78%	2,023,272	1.63%
MFS Investement Management	1,674,948	1.47%	1,189,054	0.96%
Treasury shares[(2)]	1,363,995	1.20%	-	0.00%
Group employees[(4)]	2,025,587[(3)]	1.78%	3,230,412	2.61%
Public	59,805,295	52.49%	61,645,746	49.75%
TOTAL	**113,945,317**	**100%**	**123,901,019**	**100%**

(1) Including double voting rights (Article 12 of the Company's Articles of Association). As of December 31, 2014, 11,319,697 shares carried double voting rights. As of December 31, 2014, 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 125,265,014.

(2) As of December 31, 2014, the Company did not own any of its shares either directly or indirectly other than treasury shares.

(3) Including 2,025,587 shares held through the Company's mutual funds.

(4) Employees as defined under Article L. 225-102 of the French Commercial Code.

(5) As of December 31, 2014, the total number of theoretical voting rights (taking into account the 1,363,995 treasury shares) was 125,265,014.

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 it received, the following shareholders held 1% or more of the Company's share capital and voting rights:

	December 31					
	2012		2013		2014	
Shareholder	Share capital	Voting rights(1)	Share capital	Voting rights(1)	Share capital	Voting rights(1)
Franklin Resources Inc.	-	-	-	-	7.19%	6.62%
Causeway Capital Management	2.10%	1.90%	3.70%	3.45%	6.52%	6.00%
Bpifrance	5.25%	9.70%	5.20%	9.70%	5.20%	9.57%
Blackrock Inc.	4.90%	4.60%	4.85%	4.50%	4.87%	4.48%
The Capital Group Companies Inc.	5.00%	4.60%	7.40%	6.85%	4.42%	4.06%
Oppenheimer Funds Inc.	2.85%	2.65%	4.00%	3.70%	4.18%	3.84%
IFP Énergies nouvelles	2.50%	4.60%	2.50%	4.60%	2.48%	4.57%
Amundi Asset Management	3.30%	3.00%	3.20%	2.95%	2.36%	2.17%
BNP Paribas Asset Management	2.25%	2.10%	2.85%	2.65%	-	-
AVIVA Plc	-	-	-	-	2.07%	1.91%
Norges Bank Investment Management	3.00%	2.80%	2.05%	1.90%	1.99%	1.83%
State Street Corporation	-	-	-	-	1.78%	1.63%
MFS Investement Management	-	-	-	-	1.47%	0.96%
Treasury shares(2)	2.10%	0.00%	1.55%	0.00%	1.20%	0.00%
Group employees(3)	2.65%	4.00%	1.85%	2.50%	1.78%	2.61%
Public	64.10%	60.05%	60.85%	57.20%	52.48%	49.75%
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

(1) Including double voting rights.
The total number of Company shares at the end of financial years 2012, 2013 and 2014 amounted to 113,040,513 shares, 113,680,256 and 113,945,317 shares respectively.
(2) Includes shares held purusant to the Liquidity Contract.
(3) Employees as defined under Article L.225-102 of the French Commercial Code.

18.1.2. SHAREHOLDERS' NOTICES AND CROSSING OF THRESHOLDS

Between January 1, and December 31, 2014, the Company received the following notices from its shareholders, relating to the crossing of thresholds as required 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	1/8/2014	1/1/2014	2,023,272	1.78%	1,509,909	1.21%	(u)
Oppenheimer Funds Inc.	1/14/2014	1/14/2014	4,559,837	4.01%	4,559,837		(u)
Blackrock Inc.	2/7/2014	2/7/2014	5,906,711	5.20%	5,906,711	4.75%	(u)
The Capital Group Companies Inc.	2/10/2014	2/6/2014	5,032,395	4.43%	5,032,395	4.05%	(d)
Franklin Resources Inc.	2/20/2014	2/20/2014	2,549,531	2.243%	2,549,531	2.0502%	(u)
Franklin Resources Inc.	3/12/2014	3/12/2014	3,412,181	3.0014%	3,412,181	2.7423%	(u)
Norges Bank Investment	3/18/2014	3/18/2014	2,270,243	1.99%			(d)
Amundi Asset Management	3/19/2014	3/19/2014	3,757,991	3.0200%	3,757,991		(u)
Citigroup Global Markets Limited	3/20/2014	3/19/2014	1,100,132	0.9677%			(u)
Franklin Resources Inc.	3/24/2014	3/24/2014	3,745,145	3.2943%	3,745,145	3.0099%	(u)
Citigroup Global Markets Limited	4/11/2014	11/04/2014	35,554	0.03%			(d)
Citigroup Global Markets Limited	5/6/2014	5/5/2014	937,090	0.824%			(u)
Causeway Capital Management LLC	5/12/2014	5/9/2014	5,822,857	5.12%	4,332,468	3.48%	(u)
Citigroup Global Markets Limited	5/13/2014	5/9/2014	498,616	0.4386%			
Causeway Capital Management LLC	5/28/2014	5/9/2014	4,332,468	3.81%	4,332,468	3.48%	(d)
AVIVA Plc	6/27/2014	6/27/2014	2,327,059	2.047%			(u)
Amundi Asset Management	7/11/2014		3,842,595	3.08%			(u)
Franklin Resources Inc.	7/24/2014	7/24/2014	4,559,678	4.0043%	4,559,678	3.6506%	(u)
Causeway Capital Management LLC	8/16/2014	8/13/2014	6,276,171	5.51%	6,276,171	5.02%	(u)
BNP Paribas Investment Partners	8/22/2014	8/20/2014	2,957,762	2.5971%	2,831,217	2.2629%	(d)
Franklin Resources Inc.	8/25/2014	8/25/2014	5,028,118	4.4149%	5,028,118	4.0188%	(u)
Artisan Partners Limited Partnership	9/2/2014	9/2/2014	1,148,478	1.01%	1,148,478	0.92%	(u)
ADIA (Abu Dhabi Investment Authority)	9/18/2014	9/17/2014	1,144,379	1.007%			(u)
ADIA (Abu Dhabi Investment Authority)	9/25/2014	9/24/2014	1,111,218	0.977%			(d)
Franklin Resources Inc.	9/30/2014	9/29/2014	5,738,725	5.04%	5,738,725	4.59%	(u)
Franklin Resources Inc.	10/7/2014	10/2/2014	6,517,763	5.72%	6,517,763	5.21%	(u)
Franklin Resources Inc.	10/13/2014	10/13/2014	6,890,971	6.0487%	6,890,971	5.5064%	(u)
BNP Paribas Investment Partners	10/16/2014	10/14/2014	2,534,976	2.2251%	2,454,574	1.9614%	(d)
Amundi Asset Management	10/20/2014	10/20/2014	3,421,923	2.73%			(d)
Blackrock Inc.	10/21/2014	10/21/2014	5,550,722	4.87%	5,550,722	4.43%	(d)
Amundi Asset Management	10/21/2014	10/21/2014	3,390,083	2.97%			(d)
Oppenheimer Funds Inc.	10/29/2014	10/28/2014	4,741,172	4.16%			(u)
Franklin Resources Inc.	10/28/2014	10/28/2014	7,541,031	6.6185%	7,541,031	6.0196%	(u)
ADIA (Abu Dhabi Investment Authority)	11/11/2014	11/11/2014	1,181,846	1.04%			(u)
BNP Paribas Investment Partners	12/1/2014	11/27/2014	2,025,584	1.778%	1,853,429	1.4793%	(d)
Franklin Resources Inc.	12/1/2014	12/1/2014	8,195,974	7.1932%	8,195,974	6.5416%	(u)
ADIA (Abu Dhabi Investment Authority)	12/8/2014	12/8/2014	1,070,506	0.940%			(u)
MFS Investment Management	12/3/2014	12/2/2014	2,492,234	1.56%	1,771,858	1.43%	(u)
AVIVA Plc	12/10/2014	12/10/2014	2,363,981	2.075%			(u)
Artisan Partners Limited Partnership	12/17/2014	12/17/2014	551,709	0.48%	551,709	0.44%	(d)
BNP Paribas Investment Partners	12/17/2014	12/16/2014	1,012,038	0.8882%	905,444	0.7227%	(d)
MFS Investment Management	12/19/2014	12/17/2014	1,674,948	0.95%	1,189,054	1.04%	(d)
BNP Paribas Investment Partners	12/22/2014	12/22/2014	324,547	0.2848%	300,649	0.24%	(d)

(1) d = downwards crossing of threshold; u = upward crossing of threshold.
This table is based solely on information taken from notices and statements received by the Company.

On November 10, 2014, and at Technip's request, Euroclear France carried out a survey of identifiable shares held in the bearer form (*titres au porteur identifiable*) (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 6,789 shareholders who held shares in the bearer form.

An analysis of the TPI survey showed that 79.44% of the shares were held by institutional investors. The geographic location of these investors was as follows: 19.00% in France, 35.84% in North America, 9.57% in the United Kingdom and Ireland, 9.34% in Continental Europe and 5.69% throughout the rest of the world.

As of the date of this TPI survey, individual shareholders (retail) held 7.51% of Technip's share capital.

As of December 31, 2014, 6,218 shareholders held their shares in registered form in their name (*au nominatif pur*) and 240 shareholders held their shares in administered registered form (*au nominatif administré*). Furthermore, 14 shareholders held their shares in both registered form and administered registered form.

Between January 1, and January 31, 2015, the Company received the following notices from its shareholders, relating to the crossing of thresholds as required 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)]
Oppenheimer Funds Inc.	1/5/2015	12/31/2014	4,759,745				
Amundi Asset Management	1/5/2015	12/31/2014	2,688,938				
Norske Bank Investment Management	1/5/2015	12/31/2014	2,270,343				
Causeway Capital Management LLC	1/6/2015	12/31/2014	7,433,116				
AVIVA Plc	1/6/2015	12/31/2014	2,360,772				
AVIVA Plc	1/13/2015	1/13/2015	2,157,391	1.8940%			(d)
Franklin Resources Inc.	1/14/2015	1/14/2015	8,979,462	7.8805%	8,979,462	7.1684%	(u)
AXA Investment Managers	1/14/2015	1/14/2015	789,633	0,69%	789,633	0.63%	(d)
AXA SA	1/14/2015	1/14/2015	1,911,308	1.68%	1,911,308	1.53%	(u)
Franklin Resources Inc.	1/20/2015	1/20/2015	9,148,486	8.0288%	9,148,486	7.3033%	(u)
AllianceBernstein L.P.	1/22/2015	1/22/2015	105,347	0.09%	105,347	0.08%	(d)
Citigroup Global Markets Limited	1/29/2015	1/26/2015	355,563	0.3120%			(d)

(1) d = downward crossing of threshold; u = upward crossing of threshold.
This table is based solely on information taken from notices and statements received by the Company.

18.2. Shareholder's Voting Rights

As of the date of this report, among the Company's Major Shareholders (as indicated in Section 18.1 of this Reference Document), IFP Énergies nouvelles and Bpifrance together with the Company's mutual funds (*Fonds Communs de Placement d'Entreprise*, or FCPEs) representing the Group's employees held double voting rights.

18.3. Controlling Interest

Taking into account the shareholding of capital and voting rights of the Company (as set out in the tables in Sections 18.1.1 and 18.1.2 of this Reference Document), as of the date of this report, no shareholder held 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.

19 Related Party Transactions

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, 2014, 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, 2014

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 auditing standards applicable in France.

PricewaterhouseCoopers Audit

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

Ernst & Young et Autres

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

STATUTORY AUDITORS' REPORT ON RELATED PARTY AGREEMENTS AND COMMITMENTS

General Meeting of Shareholders to Approve the Financial Statements for the Year Ended December 31, 2014

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

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.

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 (approximately €300,000 as of now) 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 2014, the contribution paid by your Company for the supplementary pension plan of Thierry Pilenko amounted to €24,030.

Neuilly-sur-Seine and Paris-La Défense, March 5, 2015

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit		Ernst & Young et Autres
Édouard Sattler	Édouard Demarcq	Nour-Eddine Zanouda

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Financial Information on the Company's Assets, Financial Situation and Results

20.1. Group Consolidated Financial Statements as of December 31, 2014

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

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 Auditor's Report on the Consolidated Financial Statements

For the Year ended December 31, 2014

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, 2014, 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, 2014, 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-A "Accounting principles" to the consolidated financial statements describing impacts related to the first application of IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosure in Interests in Other Entities".

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 Group uses assumptions, 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 Group 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 the note to the consolidated financial statements provides adequate information in this regard.
- As indicated in Note 1-C (d) "Business combinations" to the consolidated financial statements, your Group 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 Group and approved by the Board of Directors. We examined the implementation of this impairment test, the assumptions made, and the calculations performed by your Group, and we ensured that Note 1-C (d) and Note 10 "Intangible assets" to the consolidated financial statements provide 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 of December 31, 2014, and more specifically those arisen from unused tax losses carried-forward, have been evaluated by your Group on the basis of the forecasts of future taxable results. We reviewed the recoverability analyses on those tax assets performed by your Group and ensured that Note 1-C (v) provides adequate information in this regard.

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 5, 2015

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit		Ernst & Young et Autres
Édouard Sattler	Édouard Demarcq	Nour-Eddine Zanouda

20.1.2. GROUP CONSOLIDATED FINANCIAL STATEMENTS

1. CONSOLIDATED STATEMENT OF INCOME

In millions of Euro	Notes	12 months 2014	12 months 2013 restated (*)
Revenues	**4 (a)**	**10,073.9**	**8,847.7**
Cost of Sales	4 (b)	(8,606.3)	(7,261.0)
Gross Margin		**1,467.6**	**1,586.7**
Research and Development Costs	4 (c)	(82.6)	(75.5)
Selling Costs		(221.1)	(219.0)
Administrative Costs	4(d)	(423.6)	(494.7)
Other Operating Income	4 (e)	31.0	33.9
Other Operating Expenses	4 (f)	(11.4)	(14.4)
Operating Income/(Loss) from Recurring Activities		**759.9**	**817.0**
Share of Income/(Loss) of Equity Affiliates	11	40.3	35.2
Operating Income from Recurring Activities after Income/(Loss) of Equity Affiliates		**800.2**	**852.2**
Income/(Charges) from Disposals of Activities	4 (g)	(5.5)	-
Income/(Charges) from Non-Current Activities	4 (h)	(68.1)	-
Operating Income/(Loss)		**726.6**	**852.2**
Financial Income	5 (a)	450.0	344.3
Financial Expenses	5 (b)	(577.3)	(425.9)
Income/(Loss) before Tax		**599.3**	**770.6**
Income Tax Expense	6	(156.9)	(200.6)
Income/(Loss) from Continuing Operations		**442.4**	**570.0**
Income/(Loss) from Discontinued Operations	7	-	-
NET INCOME/(LOSS) FOR THE YEAR		**442.4**	**570.0**
Attributable to:			
Shareholders of the Parent Company		436.6	563.1
Non-Controlling Interests		5.8	6.9
Earnings per Share (in Euro)	8	3.89	5.06
Diluted Earnings per Share (in Euro)	8	3.65	4.68

(*) The restatement of the 2013 consolidated financial statements is described in Note 1 – Accounting principles.

2. CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

In millions of Euro	Notes	12 months 2014	12 months 2013 restated (*)
Net Income/(Loss) for the Year		**442.4**	**570.0**
Other Comprehensive Income			
Other Comprehensive Income to be Reclassified to Statement of Income in Subsequent Periods:		*16.5*	*(197.5)*
Exchange Differences on Translating Entities Operating in Foreign Currency		239.6	(189.9)
Fair Value Adjustment on Available-for-Sale Financial Assets	20 (d)	19.7	(52.1)
Income Tax Effect	20 (d)	(0.7)	4.8
Cash Flow Hedging	20 (d)	(348.1)	56.9
Income Tax Effect	20 (d)	106.0	(17.2)
Other Comprehensive Income not being Reclassified to Statement of Income in Subsequent Periods:		*(71.3)*	*(11.6)*
Actuarial Gains/(Losses) on Defined Benefit Plans	20 (d)	(89.0)	(15.9)
Income Tax Effect	20 (d)	17.7	4.3
COMPREHENSIVE INCOME FOR THE YEAR		**387.6**	**360.9**
Attributable to:			
Shareholders of the Parent Company		381.4	356.7
Non-Controlling Interests		6.2	4.2

(*) The restatement of the 2013 consolidated financial statements is described in Note 1 – Accounting principles.

3. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

In millions of Euro	Notes	As of December 31, 2014	As of December 31, 2013 restated (*)	As of January 1, 2013 restated (*)
Property, Plant and Equipment, Net	9	2,500.8	2,352.8	2,141.8
Intangible Assets, Net	10	3,496.5	3,332.6	3,379.0
Investments in Equity Affiliates	11	195.6	172.2	160.7
Other Financial Assets	12	202.6	75.2	75.3
Deferred Tax Assets	6 (c)	366.0	246.6	318.9
Available-for-Sale Financial Assets	13	57.0	105.3	162.7
Total Non-Current Assets		**6,818.5**	**6,284.7**	**6,238.4**
Inventories	14	355.7	274.8	296.7
Construction Contracts – Amounts in Assets	15	755.1	383.2	452.7
Advances Paid to Suppliers		294.7	361.2	202.9
Derivative Financial Instruments	26	46.6	123.4	54.3
Trade Receivables	16	1,719.9	1,766.4	1,257.2
Current Income Tax Receivables		158.9	87.4	142.0
Other Current Receivables	17	581.6	463.0	494.0
Cash and Cash Equivalents	18	2,685.6	2,989.1	2,179.3
Total Current Assets		**6,598.1**	**6,448.5**	**5,079.1**
Assets Classified as Held for Sale	19	3.2	4.0	9.9
TOTAL ASSETS		**13,419.8**	**12,737.2**	**11,327.4**

(*) The restatement of the 2013 consolidated financial statements is described in Note 1 – Accounting principles.

Equity and Liabilities

In millions of Euro	Notes	As of December 31, 2014	As of December 31, 2013 restated (*)	As of January 1, 2013 restated (*)
Share Capital	20 (a)	86.9	86.7	86.2
Share Premium		1,934.8	1,923.3	1,898.2
Retained Earnings		2,260.1	1,972.1	1,619.7
Treasury Shares	20 (c)	(96.9)	(133.6)	(148.8)
Foreign Currency Translation Reserves		(19.2)	(259.5)	(73.6)
Fair Value Reserves	20 (d)	(238.9)	4.7	23.9
Net Income		436.6	563.1	543.3
Total Equity Attributable to Shareholders of the Parent Company		**4,363.4**	**4,156.8**	**3,948.9**
Non-Controlling Interests		11.8	17.3	13.2
Total Equity		**4,375.2**	**4,174.1**	**3,962.1**
Non-Current Financial Debts	21	2,356.6	2,214.3	1,542.5
Non-Current Provisions	23	231.6	260.2	227.5
Deferred Tax Liabilities	6 (c)	196.2	183.8	208.8
Other Non-Current Liabilities	25	40.6	68.6	75.6
Total Non-Current Liabilities		**2,825.0**	**2,726.9**	**2,054.4**
Current Financial Debts	21	256.4	159.5	357.2
Trade Payables	24	2,312.9	2,435.4	2,072.0
Construction Contracts – Amounts in Liabilities	15	1,256.1	1,499.1	863.0
Derivative Financial Instruments	26	300.5	32.7	38.5
Current Provisions	23	326.3	216.2	354.6
Current Income Tax Payables		137.7	155.7	135.3
Other Current Liabilities	25	1,629.7	1,337.6	1,490.3
Total Current Liabilities		**6,219.6**	**5,836.2**	**5,310.9**
Total Liabilities		**9,044.6**	**8,563.1**	**7,365.3**
Liabilities Directly Associated with the Assets Classified as Held for Sale	19	-	-	-
TOTAL EQUITY AND LIABILITIES		**13,419.8**	**12,737.2**	**11,327.4**

(*) The restatement of the 2013 consolidated financial statements is described in Note 1 – Accounting principles.

4. CONSOLIDATED STATEMENT OF CASH FLOWS

		12 months	
In millions of Euro	Notes	2014	2013 restated (*)
Net Income/(Loss) for the Year (including Non-Controlling Interests)		442.4	570.0
Adjustments for:			
Amortization and Depreciation of Property, Plant and Equipment	9	263.8	201.3
Amortization and Depreciation of Intangible Assets	10	19.5	16.5
Non-Cash Convertible Bond Expense		29.2	28.2
Charge related to Share-based Payment and Employee Savings Plans (*"Plans d'Épargne Entreprise"*)	4 (i)	40.0	46.0
Non-Current Provisions (including Pensions and other Long-Term Employee Benefit Plans)		(35.4)	22.7
Share of (Income)/Loss of Equity Affiliates (net of Distributed Dividends)		(31.9)	(30.9)
Net (Gains)/Losses on Disposal of Assets and Investments		(7.1)	(18.7)
Deferred Income Tax (Credit)/Expense	6 (a)	1.8	23.4
		722.3	858.5
(Increase)/Decrease in Working Capital Requirement		(597.3)	282.7
Net Cash Generated from/(Used in) Operating Activities		**125.0**	**1,141.2**
Purchases of Property, Plant and Equipment	9	(359.6)	(551.3)
Proceeds from Disposal of Property, Plant and Equipment	4 (e)	56.6	67.2
Purchases of Intangible Assets	10	(15.4)	(23.9)
Proceeds from Disposal of Intangible Assets	4 (e)	4.7	-
Acquisitions of Financial Assets		(36.7)	-
Proceeds from Disposal of Financial Assets	4 (g)	24.6	12.1
Acquisition Costs of Consolidated Companies, net of Cash Acquired	2	(58.8)	(8.2)
Net Cash Generated from/(Used in) Investing Activities		**(384.6)**	**(504.1)**
Increase in Borrowings		216.9	721.1
Decrease in Borrowings		(136.9)	(220.0)
Capital Increase		11.7	25.6
Share Buy-Back	20 (c)	(41.8)	(40.0)
Dividends Paid	20 (g)	(206.5)	(186.0)
Dividends Paid to Non-Controlling Interests		(2.8)	-
Net Cash Generated from/(Used in) Financing Activities		**(159.4)**	**300.7**
Net Effects of Foreign Exchange Rate Changes		117.0	(130.1)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**(302.0)**	**807.7**
Cash and Cash Equivalents as of January 1	18	2,989.1	2,179.3
Bank Overdrafts as of January 1		(2.4)	(0.3)
Cash and Cash Equivalents as of December 31	18	2,685.6	2,989.1
Bank Overdrafts as of December 31		(0.9)	(2.4)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**(302.0)**	**807.7**

(*) The restatement of the 2013 consolidated financial statements is described in Note 1 – Accounting principles.

Interest paid in 2014 amounted to €70.4 million compared to €60.1 million in 2013.

Interest received in 2014 amounted to €18.4 million compared to €37.7 million in 2013.

Income taxes in 2014 amounted to €216.4 million compared to €131.5 million in 2013.

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, 2013 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 restated (1)	-	-	-	-	-	-	563.1	563.1	6.9	570.0
Other Comprehensive Income	-	-	-	-	(187.2)	(19.2)	-	(206.4)	(2.7)	(209.1)
Comprehensive Income 2013 restated (1)	**-**	**-**	**-**	**-**	**(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	-	-	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 Plans (*"Plans d'Épargne Entreprise"*)	-	-	46.0	-	-	-	-	46.0	-	46.0
Other (2)	-	-	2.9	-	1.3	-	-	4.2	(0.1)	4.1
As of December 31, 2013 restated (1)	**86.7**	**1,923.3**	**1,972.1**	**(133.6)**	**(259.5)**	**4.7**	**563.1**	**4,156.8**	**17.3**	**4,174.1**
Net Income 2014	-	-	-	-	-	-	436.6	436.6	5.8	442.4
Other Comprehensive Income	-	-	-	-	239.2	(294.4)	-	(55.2)	0.4	(54.8)
Comprehensive Income 2014	**-**	**-**	**-**	**-**	**239.2**	**(294.4)**	**436.6**	**381.4**	**6.2**	**387.6**
Capital Increase	0.2	11.5	-	-	-	-	-	11.7	-	11.7
Appropriation of Net Income 2013 restated (1)	-	-	563.1	-	-	-	(563.1)	-	-	-
Dividends	-	-	(206.5)	-	-	-	-	(206.5)	-	(206.5)
Treasury Shares	-	-	(58.3)	36.7	-	-	-	(21.6)	-	(21.6)
Valuation of Share-based Payment and Employee Savings Plans (*"Plans d'Épargne Entreprise"*)	-	-	40.0	-	-	-	-	40.0	-	40.0
Other (3)	-	-	(50.3)	-	1.1	50.8	-	1.6	(11.7)	(10.1)
AS OF DECEMBER 31, 2014	**86.9**	**1,934.8**	**2,260.1**	**(96.9)**	**(19.2)**	**(238.9)**	**436.6**	**4,363.4**	**11.8**	**4,375.2**

(1) The restatement of the 2013 consolidated financial statements is described in Note 1 – Accounting principles.
(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, 2014 were approved by the Board of Directors on February 17, 2015.

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 2014 were prepared as of December 31, 2014, 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 17, 2015, 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, 2014, had no significant impact on the financial situation and performance of the Group.

IFRS 10 AND IFRS 12 "CONSOLIDATED FINANCIAL STATEMENTS / DISCLOSURE OF INTERESTS IN OTHER ENTITIES"

These standards modify IAS 27 "Separate Financial Statements" and cancel 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.

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, 2014, 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 vessels, principally flexible pipeline installation vessels (PLSVs) in Brazil.

The International Financial Reporting Interpretations Committee (IFRIC) is currently conducting work on the practical implementation of IFRS 11 standard. The classification of joint arrangements has been the subject of further discussions in the second half of 2014 leading to a restrictive interpretation of IFRS 11 standard that results in the consolidation by equity method of any joint arrangement structured through an incorporated legal entity. Thus, projects entities organized as incorporated companies are now consolidated as equity affiliates in the Group's consolidated accounts.

An early application of IFRS 10 and 11 as of January 1, 2014, had on the whole an impact on the non-current assets decreasing by €126.6 million, of which an increase of €165.5 million of investment in equity affiliates, and current assets decreasing by €387.2 million as well a decrease by €192.4 million on non-current liabilities and by €321.4 on current liabilities.

This early application has no impact on Group net result and shareholder's equity as of December 31, 2013.

Pursuant to the transitional rules of retrospectively applicable IFRS 10, 11 and 12, the comparative periods as of December 31, 2013, and January 1, 2013, were restated in this Reference Document.

The whole share of income/(loss) of equity affiliates has been reclassified to operating income, these companies' operations being in the continuation of the Group activity.

IFRS 10 and 11 application impact on the Group consolidated statement of income

In millions of Euro	12 months 2013
Revenues	**(488.4)**
Cost of Sales	457.7
Gross Margin	**(30.7)**
Research and Development Costs	-
Selling Costs	0.8
Administrative Costs	2.3
Other Operating Income	(0.4)
Other Operating Expenses	0.5
Operating Income/(Loss) from Recurring Activities	**(27.5)**
Share of Income/(Loss) of Equity Affiliates	34.1
Operating Income from Recurring Activities after Income/(Loss) of Equity Affiliates	**6.6**
Income/(Charges) from Disposals of Activities	-
Income/(Charges) from Non-Current Activities	-
Operating Income/(Loss)	**6.6**
Financial Income	(12.8)
Financial Expenses	15.5
Income/(Loss) before Tax	**9.3**
Income Tax Expense	(9.3)
Income/(Loss) from Continuing Operations	-
Income/(Loss) from Discontinued Operations	-
NET INCOME/(LOSS) FOR THE YEAR	**-**
Attributable to:	
Shareholders of the Parent Company	-
Non-Controlling Interests	-
Earnings per Share (in Euro)	-
Diluted Earnings per Share (in Euro)	-

IFRS 10 and 11 impact on the Group consolidated statement of financial position

Assets

In millions of Euro	As of December 31, 2013	As of January 1, 2013
Property, Plant and Equipment, Net	(266.6)	(268.7)
Intangible Assets, Net	(0.1)	(0.1)
Investments in Equity Affiliates	165.5	152.0
Other Financial Assets	2.8	2.5
Deferred Tax Assets	(28.2)	(14.1)
Available-for-Sale Financial Assets	-	-
Total Non-Current Assets	**(126.6)**	**(128.4)**
Inventories	(1.5)	(0.1)
Construction Contracts – Amounts in Assets	(21.8)	(1.6)
Advances Paid to Suppliers	(110.9)	(5.3)
Derivative Financial Instruments	-	-
Trade Receivables	21.2	(15.6)
Current Income Tax Receivables	(14.7)	(16.5)
Other Current Receivables	(7.6)	(19.5)
Cash and Cash Equivalents	(251.9)	(110.0)
Total Current Assets	**(387.2)**	**(168.6)**
Assets Classified as Held for Sale	-	-
TOTAL ASSETS	**(513.8)**	**(297.0)**

Equity and Liabilities

In millions of Euro	As of December 31, 2013	As of January 1, 2013
Net Income	-	-
Total Equity Attributable to Shareholders of the Parent Company	**-**	**-**
Non-Controlling Interests	-	-
Total Equity	**-**	**-**
Non-Current Financial Debts	(189.1)	(163.2)
Non-Current Provisions	(1.6)	(1.5)
Deferred Tax Liabilities	4.5	(0.8)
Other Non-Current Liabilities	(6.2)	(0.6)
Total Non-Current Liabilities	**(192.4)**	**(166.1)**
Current Financial Debts	(15.0)	(43.2)
Trade Payables	(45.6)	(22.5)
Construction Contracts – Amounts in Liabilities	(222.3)	(10.0)
Derivative Financial Instruments	-	-
Current Provisions	(4.7)	(6.4)
Current Income Tax Payables	(9.4)	(5.2)
Other Current Liabilities	(24.4)	(43.6)
Total Current Liabilities	**(321.4)**	**(130.9)**
Total Liabilities	**(513.8)**	**(297.0)**
Liabilities Directly Associated with the Assets Classified as Held for Sale	-	-
TOTAL EQUITY AND LIABILITIES	**(513.8)**	**(297.0)**

IFRS 10 and 11 impact on the Group consolidated statement of cash flows

In millions of Euro	12 months 2013
Net Income/(Loss) for the Year (including Non-Controlling Interests)	-
Adjustments for:	
Amortization and Depreciation of Property, Plant and Equipment	(15.7)
Amortization and Depreciation of Intangible Assets	-
Non-Cash Convertible Bond Expense	-
Charge related to Share-based Payment and Employee Savings Plans ("*Plans d'Épargne Entreprise*")	-
Non-Current Provisions (including Pensions and other Long-Term Employee Benefit Plans)	(0.2)
Share of (Income)/Loss of Equity Affiliates (net of Distributed Dividends)	(32.5)
Net (Gains)/Losses on Disposal of Assets and Investments	-
Deferred Income Tax (Credit)/Expense	9.6
	(38.8)
(Increase)/Decrease in Working Capital Requirement	(138.6)
Net Cash Generated from/(Used in) Operating Activities	**(177.4)**
Purchases of Property, Plant and Equipment	47.7
Proceeds from Disposal of Property, Plant and Equipment	-
Purchases of Intangible Assets	0.1
Proceeds from Disposal of Intangible Assets	-
Acquisitions of Financial Assets	-
Proceeds from Disposal of Financial Assets	-
Acquisition Costs of Consolidated Companies, net of Cash Acquired	-
Net Cash Generated from/(Used in) Investing Activities	**47.8**
Increase in Borrowings	(34.5)
Decrease in Borrowings	10.6
Capital Increase	-
Share Buy-Back	-
Dividends Paid	-
Dividends Paid to Non-Controlling Interests	-
Net Cash Generated from/(Used in) Financing Activities	**(23.9)**
Net Effects of Foreign Exchange Rate Changes	11.6
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(141.9)**
Cash and Cash Equivalents as of January 1	(110.0)
Bank Overdrafts as of January 1	-
Cash and Cash Equivalents as of December 31	(251.9)
Bank Overdrafts as of December 31	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(141.9)**

Standards effective after December 31, 2014

Technip financial statements as of December 31, 2014, do not include the possible impact of standards published as of December 31, 2014, but which application is mandatory as per European Union as from financial years subsequent to the current year.

■ IFRIC 21 "LEVIES"

In accordance with the European Union's regulation No.634/2014 released on June 13, 2014, IFRIC 21 "Levies" on operating tax recognition was adopted. IFRIC 21 is effective for annual periods beginning on or after June 17, 2014, and retrospectively applied for all prior periods.

The Group should apply this interpretation as of January 1, 2015. No material impact on the Group consolidated statement of income and the consolidated shareholders' equity is expected at that stage.

B. Consolidation Principles

In accordance with IFRS 10 "Consolidated Financial Statements", are consolidated using the global integration method all the companies (including special purpose entities) for which the Group has all the following:

- the power over the company subject to the investment;
- an exposure or rights to the company's variable returns; and
- the ability to use its power over the entity to affect these returns.

Where holding more than 50% of voting rights in an entity, the control is presumed to exist where the relevant activities as well as the power to govern financial and operating policies are directed by the majority of the voting rights owned by the Group.

As per IFRS 11 "Joint Arrangements", joint arrangements to be classified as joint operations should be consolidated to the extent of their respective shares.

The equity method is used for joint ventures and 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 Assets" 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 possible depreciation.

The list of the main Group's consolidated companies and their respective method of consolidation is provided in Note 2 (c) – Scope of consolidation as of December 31, 2014.

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, 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) as well as the valuation of defined benefit plans described in Note 1-C (u). 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 litigations, so as to record the adequate provisions when necessary. Possible uncertainties related to ongoing litigations are described in Note 31 – 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;
- labour 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 reinvoiced 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 or in cash flows of the covered element must be almost entirely offset by the changes in fair value or in cash flows 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 activities.

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) or income tax expense (because of shared treasury and tax management). Segment assets do not include asset items related to the latter, such as current and deferred 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.

Adjustment items relate to the proportionate integration of incorporated entities linked to construction contracts in joint arrangements.

Joint arrangements in which the Group hold investments could be classified in two categories: those set up for the purpose of fulfilling a defined construction contract and those set up to build and operate vessels, principally flexible pipeline installation vessels (PLSVs) in Brazil. The fulfilment of contracts in joint arrangement being the core business of Technip, the Group should continue to release its contracts in partnership using the proportionate method whatever the legal structuration of the joint arrangement and whether or not the constitution of an incorporated legal entity is scheduled to host partly or fully the contract. The objective is to disclose all relevant financial information to the Group management and to the different participants of the financial markets.

Entities holding pipeline installation vessels should remain consolidated as equity affiliates as their management and operational methods intrinsically corresponds to the concept of joint ventures as described in IFRS 11.

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), or income tax expense. 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

The whole share of income/(loss) of equity affiliates has been reclassified to operating income, these companies' operations being in the continuation of the Group activity.

Income/(Charges) from disposals of consolidated companies (or group of assets and liabilities) disposed or to be disposed are identified in a separate item under operating income/(loss).

Income/(Charges) from non-current activities principally comprise restructuring costs, impairment losses on non-current tangible or intangible assets (or group of assets), as well as other operating income and charges such as provisions related to litigations.

As per IAS 1, these two last items only include impacts from operations and transactions that should be unusual in terms of nature and/or material in terms of amounts and that the Group deems necessary to disclose distinctly to ensure reliability and relevance of its financial information.

(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. As an example, indications of impairment loss used for vessels and analyzed together are mainly the asset workload scheduling, the change in its daily invoicing rate, its age as well as the frequency of its dry-docking.

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 and industrial 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 or significant.

(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 without expected counterpart; 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 actuarial gains and losses resulting from adjustments related to experience and changes in actuarial assumptions are now recorded in 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 existence of future taxable income on which deferred tax assets could be allocated, 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 tax consolidation.

Tax assets and liabilities are not discounted except those whose tax bases are 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 convertible bonds with an option for conversion and/or exchangeable for new or existing shares (OCEANE) 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 Variations

Year ended December 31, 2014

On April 30, 2014, Technip sold the totality of its fully owned subsidiary Technip TPS, specialized in engineering and construction for the industry, to the WSP Group (WSP is one of the world's leading professional services firms) for a total amount of €12.1 million as of December 31, 2014.

On June 3, 2014, September 26, 2014, then on December 4, 2014, Technip sold the totality of its 75% of investment in Seamec to HAL Offshore Limited, India at a consideration of 97 Indian rupees per share (translating to a total amount of €31.4 million as of December 31, 2014).

Seamec Limited and its 100% subsidiary Seamec International FZE are not anymore consolidated in Technip Group accounts as of December 31, 2014.

On December 30, 2014, Technip acquired the technology Zimmer®. Based in Frankfurt, Germany, Technip Zimmer GmbH constitutes the new polymers technology business of Technip. This activity is integrated through Technip Stone & Webster Process Technology, the Onshore global business unit formed in 2012 to manage the Company's expanding portfolio of downstream process technologies.

Technip Zimmer GmbH's business includes technologies for the processing of polyesters and polyamides, research and development facilities, and a team of around forty skilled engineers, researchers and project teams.

The new polymers business will diversify and strengthen Technip's portfolio of downstream technologies in its Onshore segment.

The goodwill recognized in the consolidated financial statements as of December 31, 2014, for the acquisition of the technology Zimmer® amounts to €63.7 million.

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 amounted 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.

(b) Other Acquisitions

The other changes in the scope of consolidation compared to December 31, 2013, are notably described here below.

- On April 3, 2014, Technip purchased 49% of Kanfa AS, a company that delivers overall process solutions and services to the Offshore and Oil, Gas and LNG Industry with main focus on the worldwide FPSO market. This company is integrated by equity method in Group accounts.
- On October 14, 2014, Technip purchased 51% of Inocean AS, a company that offers naval architect and engineering services in all phases of a project cycle and has activities primarily within the offshore oil and gas sector. Inocean AS has intellectual property rights to various floating installations and vessels. This company is fully consolidated in Group consolidated accounts.

(c) Scope of Consolidation as of December 31, 2014

As of December 31, 2014, the scope of consolidation consists of 209 entities, out of which 170 are fully consolidated and 39 are consolidated according the equity method.

The table below sets forth the main consolidated entities:

Fully Consolidated Companies	Country	As of December 31, 2014 % interest	As of December 31, 2014 restated % control
Technip	France	Consolidating Company	Consolidating Company
Technip France	France	100%	100%
Flexi France	France	100%	100%
Technip Corporate Services	France	100%	100%
Technip Eurocash SNC	France	100%	100%
Technip Offshore International	France	100%	100%
Technipnet	France	100%	100%
Angoflex Lda.	Angola	70%	100%
Technip Angola	Angola	60%	100%
Global Offshore Pty Ltd	Australia	100%	100%
Flexibras Tubos Flexiveis	Brazil	100%	100%
Global Brasil Oleodutos E Servicos Ltda	Brazil	100%	100%
Technip Brasil Engenharia	Brazil	100%	100%
Technip Canada	Canada	100%	100%
Global Industries International, LP	Cayman Islands, British West-Indies	100%	100%
Technip Offshore Finland OY	Finland	100%	100%
Technip Zimmer Gmbh	Germany	100%	100%
Technip India	India	100%	100%
Technip Italy	Italy	100%	100%
Front End Re	Luxembourg	100%	100%
Global Asia Pacific Industries Sdn. Bhd.	Malaysia	100%	100%
Technip Far East	Malaysia	100%	100%
Technip Geoproduction (M)	Malaysia	100%	100%
Technip Marine (M) Sdn. Bhd.	Malaysia	100%	100%
Coflexip Stena Offshore (Mauritius)	Mauritius	100%	100%
Global Offshore Mexico S. de R.L. de C.V.	Mexico	100%	100%
Technip Benelux BV	Netherlands	100%	100%
Technip Ships (Netherlands) BV	Netherlands	100%	100%
Technip Offshore (Nigeria)	Nigeria	100%	100%
Technip Norge AS	Norway	100%	100%
Technip RUS	Russia	100%	100%
Technip Saudi Arabia	Saoudi Arabia	100%	100%
Technip Singapore	Singapore	100%	100%
Technip Middle East	United Arab Emirates	100%	100%
Genesis Oil & Gas Consultants Ltd	United Kingdom	100%	100%
Technip UK Ltd	United Kingdom	100%	100%
Technip E&C, Inc.	United States of America	100%	100%
Technip Stone & Webster Process Technology, Inc.	United States of America	100%	100%
Technip Umbilicals Inc.	United States of America	100%	100%
Technip USA Holdings Inc.	United States of America	100%	100%
Technip USA Inc.	United States of America	100%	100%

Consolidated companies under equity method	Country	As of December 31, 2014 % interest	As of December 31, 2014 restated % control
South Tambey LNG	France	50%	50%
Yamgaz	France	50%	50%
FSTP Brasil Ltda	Brazil	25%	25%
Dofcon Navegacao Ltda	Brazil	50%	50%
Ethylene XXI Contractors S.A.P.I. de C.V.	Mexico	40%	40%
Etileno XXI Services BV	Netherlands	40%	40%
Technip Odebrecht PLSV CV	Netherlands	50%	50%
FSTP Pte Ltd	Singapore	25%	25%
Badger Licensing LLC – JV	United States of America	50%	50%

All consolidated companies close their accounts as of December 31 except Technip India which closes their statutory accounts as of March 31, and Technip South Africa which closes its statutory accounts as of June 30. However, both entities perform an interim account closing as of December 31 for the purpose of Group consolidation.

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

	2014								
In millions of Euro	Subsea	Onshore/ Offshore	Corporate	Non Allocable and Eliminations	Total Continuing Operations	Discontinued Operations	Total Adjusted	Adjustments	Total Consolidated
Revenues	4,880.4	5,844.1	-	-	10,724.5	-	10,724.5	(650.6)	10,073.9
Gross Margin	898.6	615.6	-	-	1,514.2	-	1,514.2	(46.6)	1,467.6
Operating Income/(Loss) from Recurring Activities	**624.2**	**268.9**	**(86.7)**	**-**	**806.4**	**-**	**806.4**	**(46.5)**	**759.9**
Share of Income/(Loss) of Equity Affiliates	10.9	7.3	-	-	18.2	-	18.2	22.1	40.3
Operating Income/(Loss) from Recurring Activities after Income/(Loss) of Equity Affiliates	**635.1**	**276.2**	**(86.7)**	**-**	**824.6**	**-**	**824.6**	**(24.4)**	**800.2**
Income/(Charges) from Disposals of Activities	-	-	-	(5.5)	(5.5)	-	(5.5)	-	(5.5)
Income/(Charges) from Non-Current Activities	(1.2)	(5.1)	-	(61.8)	(68.1)	-	(68.1)	-	(68.1)
Operating Income/(Loss)	**633.9**	**271.1**	**(86.7)**	**(67.3)**	**751.0**	**-**	**751.0**	**(24.4)**	**726.6**
Financial Income/(Expenses)	-	-	-	(128.5)	(128.5)	-	(128.5)	1.2	(127.3)
Income Tax Expense	-	-	-	(180.1)	(180.1)	-	(180.1)	23.2	(156.9)
Discontinued Operations	-	-	-	-	-	-	-	-	-
NET INCOME/(LOSS) FOR THE YEAR	**NA**	**NA**	**NA**	**NA**	**442.4**	**-**	**442.4**	**-**	**442.4**
Segment Assets	6,513.1	5,312.9	2,042.8	-	13,868.8	-	13,868.8	(1,182.2)	12,686.6
Investments in Equity Affiliates	118.5	38.3	-	-	156.8	-	156.8	38.8	195.6
Unallocated Assets	-	-	-	574.4	574.4	-	574.4	(36.8)	537.6
TOTAL ASSETS	**6,631.6**	**5,351.2**	**2,042.8**	**574.4**	**14,600.0**	**-**	**14,600.0**	**(1,180.2)**	**13,419.8**
Segment Liabilities (1)	3,059.8	4,603.5	2,205.7	-	9,869.0	-	9,869.0	(1,165.8)	8,703.2
Unallocated Liabilities (2)	-	-	-	4,731.0	4,731.0	-	4,731.0	(14.4)	4,716.6
TOTAL LIABILITIES	**3,059.8**	**4,603.5**	**2,205.7**	**4,731.0**	**14,600.0**	**-**	**14,600.0**	**(1,180.2)**	**13,419.8**
Other Segment Information									
Backlog (3)	9,727.8	11,208.4	-	-	20,936.2	-	20,936.2	(4,839.5)	16,096.7
Order Intake (4)	6,837.3	8,458.5	-	-	15,295.8	-	15,295.8	(4,653.3)	10,642.5
Capital Expenditures:									
Property, Plant and Equipment	330.7	29.5	-	-	360.2	-	360.2	(0.6)	359.6
Intangible Assets	6.9	8.5	-	-	15.4	-	15.4	-	15.4
Amortization:									
Property, Plant and Equipment	(219.0)	(22.0)	-	-	(241.0)	-	(241.0)	-	(241.0)
Intangible Assets	(8.8)	(10.7)	-	-	(19.5)	-	(19.5)	-	(19.5)
Impairment of Assets	(19.5)	(3.3)	-	-	(22.8)	-	(22.8)	-	(22.8)

(1) Segment liabilities allocated to the Corporate segment include financial debts such as bonds and other bank 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.

	2013 restated								
In millions of Euro	Subsea	Onshore/ Offshore	Corpo-rate	Non Allocable and Eliminations	Total Continuing Operations	Discon-tinued Operations	Total Adjusted	Adjustments	Total Consolidated
Revenues	4,065.0	5,220.1	-	-	9,285.1	-	9,285.1	(437.4)	8,847.7
Gross Margin	901.3	703.8	-	-	1,605.1	-	1,605.1	(18.4)	1,586.7
Operating Income/(Loss) from Recurring Activities	**582.1**	**344.7**	**(91.9)**	**-**	**834.9**	**-**	**834.9**	**(17.9)**	**817.0**
Share of Income/(Loss) of Equity Affiliates	(7.1)	6.7	-	-	(0.4)	-	(0.4)	35.6	35.2
Operating Income from Recurring Activities after Income/(Loss) of Equity Affiliates	**575.0**	**351.4**	**(91.9)**	**-**	**834.5**	**-**	**834.5**	**17.7**	**852.2**
Income/(Charges) from Disposals of Activities	-	-	-	-	-	-	-	-	-
Income/(Charges) from Non-Current Activities	-	-	-	-	-	-	-	-	-
Operating Income/(Loss)	**575.0**	**351.4**	**(91.9)**	**-**	**834.5**	**-**	**834.5**	**17.7**	**852.2**
Financial Income/(Expenses)	-	-	-	(78.6)	(78.6)	-	(78.6)	(3.0)	(81.6)
Income Tax Expense	-	-	-	(185.9)	(185.9)	-	(185.9)	(14.7)	(200.6)
Discontinued Operations	-	-	-	-	-	-	-	-	-
NET INCOME/(LOSS) FOR THE YEAR	**NA**	**NA**	**NA**	**NA**	**570.0**	**-**	**570.0**	**-**	**570.0**
Segment Assets	5,507.5	4,854.3	2,183.5	-	12,545.3	-	12,545.3	(320.2)	12,225.1
Investments in Equity Affiliates	84.6	33.4	-	-	118.0	-	118.0	54.2	172.2
Unallocated Assets	-	-	-	360.2	360.2	-	360.2	(20.3)	339.9
TOTAL ASSETS	**5,592.1**	**4,887.7**	**2,183.5**	**360.2**	**13,023.5**	**-**	**13,023.5**	**(286.3)**	**12,737.2**
Segment Liabilities (1)	2,590.7	3,771.5	2,145.6	-	8,507.8	-	8,507.8	(209.5)	8,298.3
Unallocated Liabilities (2)	-	-	-	4,515.7	4,515.7	-	4,515.7	(76.8)	4,438.9
TOTAL LIABILITIES	**2,590.7**	**3,771.5**	**2,145.6**	**4,515.7**	**13,023.5**	**-**	**13,023.5**	**(286.3)**	**12,737.2**
Other Segment Information									
Backlog (3)	7,542.7	7,932.7	-	-	15,475.4	-	15,475.4	(728.4)	14,747.0
Order Intake (4)	5,975.7	5,148.2	-	-	11,123.9	-	11,123.9	(204.6)	10,919.3
Capital Expenditures:									
■ Property, Plant and Equipment	503.9	47.4	-	-	551.3	-	551.3	-	551.3
■ Intangible Assets	10.8	13.1	-	-	23.9	-	23.9	-	23.9
Amortization:									
■ Property, Plant and Equipment	(166.4)	(34.9)	-	-	(201.3)	-	(201.3)	-	(201.3)
■ Intangible Assets	(13.7)	(2.8)	-	-	(16.5)	-	(16.5)	-	(16.5)
Impairment of Assets	-	-	-	-	-	-	-	-	-

(1) Segment liabilities allocated to the Corporate segment include financial debts such as bonds and other bank 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

	2014						
In millions of Euro	Europe, Russia, Central Asia	Africa	Middle East	Asia Pacific	Americas	Non Allocable	Total Consolidated
Revenues [1]	3,091.9	1,219.4	1,199.9	1,962.5	2,600.2	-	10,073.9
Operating Income/(Loss) from Recurring Activities after Income/(Loss) of Equity Affiliates	345.1	5.2	72.7	168.8	295.1	(86.7)	800.2
OPERATING INCOME/(LOSS)	**345.1**	**5.2**	**72.7**	**168.8**	**295.1**	**(160.3)**	**726.6**
Intangible Assets (excluding Goodwill) [2]	59.5	0.6	-	1.0	46.7	-	107.8
Property, Plant and Equipment [3]	562.0	55.1	0.9	178.0	315.6	1,389.2	2,500.8
Financial Assets [4]	254.4	1.3	(4.7)	20.2	184.0	-	455.2

(1) Includes revenues earned in France: €90.7 million.
(2) Includes intangible assets in France: €57.5 million and in Brazil: €6.4 million.
(3) Includes tangible assets in France: € 161.9 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: €93.1 million and in United States of America: €12.3 million.

	2013 restated						
In millions of Euro	Europe, Russia, Central Asia	Africa	Middle East	Asia Pacific	Americas	Non Allocable	Total Consolidated
Revenues [1]	2,746.0	779.1	959.9	1,946.8	2,415.9	-	8,847.7
Operating Income/(Loss) from Recurring Activities after Income/(Loss) of Equity Affiliates	377.9	48.7	101.9	232.2	183.4	(91.9)	852.2
OPERATING INCOME/(LOSS)	**377.9**	**48.7**	**101.9**	**232.2**	**183.4**	**(91.9)**	**852.2**
Intangible Assets (excluding Goodwill) [2]	58.9	0.7	-	1.1	45.8	-	106.5
Property, Plant and Equipment [3]	540.1	54.2	0.8	156.6	289.1	1,312.0	2,352.8
Financial Assets [4]	224.8	1.0	11.0	35.9	80.0	-	352.7

(1) Includes revenues earned in France: €117.8 million.
(2) Includes intangible assets in France: €57.7 million and in Brazil: €7.0 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: €123.1 million and in United States of America: €10.5 million.

(c) Reconciliation Between Adjusted and Consolidated Items

As specified in Note 1-C (e) – Segment Information, adjustments items on Group financial statements relate to the proportionate integration of incorporated entities linked to construction contracts in joint arrangements. Adjusted financial statements and their reconciliation with consolidated financial statements as per IFRS are disclosed as following.

	12 months		
In millions of Euro	2014 Adjusted	Adjustments	2014 Consolidated
Revenues	**10,724.5**	**(650.6)**	**10,073.9**
Cost of Sales	(9,210.3)	604.0	(8,606.3)
Gross Margin	**1,514.2**	**(46.6)**	**1,467.6**
Research and Development Costs	(82.6)	-	(82.6)
Selling Costs	(221.1)	-	(221.1)
Administrative Costs	(423.8)	0.2	(423.6)
Other Operating Income	31.1	(0.1)	31.0
Other Operating Expenses	(11.4)	-	(11.4)
Operating Income/(Loss) from Recurring Activities	**806.4**	**(46.5)**	**759.9**
Share of Income/(Loss) of Equity Affiliates	18.2	22.1	40.3
Operating Income from Recurring Activities after Income/(Loss) of Equity Affiliates	**824.6**	**(24.4)**	**800.2**
Income/(Charges) from Disposals of Activities	(5.5)	-	(5.5)
Income/(Charges) from Non-Current Activities	(68.1)	-	(68.1)
Operating Income/(Loss)	**751.0**	**(24.4)**	**726.6**
Financial Income	452.8	(2.8)	450.0
Financial Expenses	(581.3)	4.0	(577.3)
Income/(Loss) before Tax	**622.5**	**(23.2)**	**599.3**
Income Tax Expense	(180.1)	23.2	(156.9)
Income/(Loss) from Continuing Operations	**442.4**	**-**	**442.4**
Income/(Loss) from Discontinued Operations	-	-	-
NET INCOME/(LOSS) FOR THE YEAR	**442.4**	**-**	**442.4**
Attributable to:			
Shareholders of the Parent Company	436.6	-	436.6
Non-Controlling Interests	5.8	-	5.8
Earnings per Share (in Euro)	3.89	-	3.89
Diluted Earnings per Share (in Euro)	3.65	-	3.65

In millions of Euro	12 months 2013 Adjusted	Adjustments	2013 Consolidated
Revenues	**9,285.1**	**(437.4)**	**8,847.7**
Cost of Sales	(7,680.0)	419.0	(7,261.0)
Gross Margin	**1,605.1**	**(18.4)**	**1,586.7**
Research and Development Costs	(75.5)	-	(75.5)
Selling Costs	(219.0)	-	(219.0)
Administrative Costs	(495.2)	0.5	(494.7)
Other Operating Income	33.9	-	33.9
Other Operating Expenses	(14.4)	-	(14.4)
Operating Income/(Loss) from Recurring Activities	**834.9**	**(17.9)**	**817.0**
Share of Income/(Loss) of Equity Affiliates	(0.4)	35.6	35.2
Operating Income from Recurring Activities after Income/(Loss) of Equity Affiliates	**834.5**	**17.7**	**852.2**
Income/(Charges) from Disposals of Activities	-	-	-
Income/(Charges) from Non-Current Activities	-	-	-
Operating Income/(Loss)	**834.5**	**17.7**	**852.2**
Financial Income	353.5	(9.2)	344.3
Financial Expenses	(432.1)	6.2	(425.9)
Income/(Loss) before Tax	**755.9**	**14.7**	**770.6**
Income Tax Expense	(185.9)	(14.7)	(200.6)
Income/(Loss) from Continuing Operations	**570.0**	**-**	**570.0**
Income/(Loss) from Discontinued Operations	-	-	-
NET INCOME/(LOSS) FOR THE YEAR	**570.0**	**-**	**570.0**
Attributable to:			
Shareholders of the Parent Company	563.1	-	563.1
Non-Controlling Interests	6.9	-	6.9
Earnings per Share (in Euro)	5.06	-	5.06
Diluted Earnings per Share (in Euro)	4.68	-	4.68

Assets

In millions of Euro	As of December 31, 2014 Adjusted	Adjustments	As of December 31, 2014 Consolidated
Property, Plant and Equipment, Net	2,501.4	(0.6)	2,500.8
Intangible Assets, Net	3,496.5	-	3,496.5
Investments in Equity Affiliates	156.8	38.8	195.6
Other Financial Assets	202.5	0.1	202.6
Deferred Tax Assets	391.0	(25.0)	366.0
Available-for-Sale Financial Assets	57.0	-	57.0
Total Non-Current Assets	**6,805.2**	**13.3**	**6,818.5**
Inventories	357.4	(1.7)	355.7
Construction Contracts – Amounts in Assets	756.3	(1.2)	755.1
Advances Paid to Suppliers	553.6	(258.9)	294.7
Derivative Financial Instruments	46.6	-	46.6
Trade Receivables	1,577.2	142.7	1,719.9
Current Income Tax Receivables	171.4	(12.5)	158.9
Other Current Receivables	590.8	(9.2)	581.6
Cash and Cash Equivalents	3,738.3	(1,052.7)	2,685.6
Total Current Assets	**7,791.6**	**(1,193.5)**	**6,598.1**
Assets Classified as Held for Sale	3.2	-	3.2
TOTAL ASSETS	**14,600.0**	**(1,180.2)**	**13,419.8**

Equity and liabilities

In millions of Euro	As of December 31, 2014 Adjusted	Adjustments	As of December 31, 2014 Consolidated
Share Capital	86.9	-	86.9
Share Premium	1,934.8	-	1,934.8
Retained Earnings	2,260.1	-	2,260.1
Treasury Shares	(96.9)	-	(96.9)
Foreign Currency Translation Reserves	(19.2)	-	(19.2)
Fair Value Reserves	(238.9)	-	(238.9)
Net Income	436.6	-	436.6
Total Equity Attributable to Shareholders of the Parent Company	**4,363.4**	**-**	**4,363.4**
Non-Controlling Interests	11.8	-	11.8
Total Equity	**4,375.2**	**-**	**4,375.2**
Non-Current Financial Debts	2,356.6	-	2,356.6
Non-Current Provisions	232.9	(1.3)	231.6
Deferred Tax Liabilities	208.6	(12.4)	196.2
Other Non-Current Liabilities	40.5	0.1	40.6
Total Non-Current Liabilities	**2,838.6**	**(13.6)**	**2,825.0**
Current Financial Debts	256.4	-	256.4
Trade Payables	2,444.7	(131.8)	2,312.9
Construction Contracts – Amounts in Liabilities	2,258.2	(1,002.1)	1,256.1
Derivative Financial Instruments	300.5	-	300.5
Current Provisions	328.3	(2.0)	326.3
Current Income Tax Payables	139.6	(1.9)	137.7
Other Current Liabilities	1,658.5	(28.8)	1,629.7
Total Current Liabilities	**7,386.2**	**(1,166.6)**	**6,219.6**
Total Liabilities	**10,224.8**	**(1,180.2)**	**9,044.6**
Liabilities Directly Associated with the Assets Classified as Held for Sale	-	-	-
TOTAL EQUITY AND LIABILITIES	**14,600.0**	**(1,180.2)**	**13,419.8**

Assets

In millions of Euro	As of December 31, 2013 Adjusted	Adjustments	As of December 31, 2013 Consolidated
Property, Plant and Equipment, Net	2,346.0	6.8	2,352.8
Intangible Assets, Net	3,332.6	-	3,332.6
Investments in Equity Affiliates	118.0	54.2	172.2
Other Financial Assets	75.0	0.2	75.2
Deferred Tax Assets	260.1	(13.5)	246.6
Available-for-Sale Financial Assets	105.3	-	105.3
Total Non-Current Assets	**6,237.0**	**47.7**	**6,284.7**
Inventories	274.9	(0.1)	274.8
Construction Contracts – Amounts in Assets	405.0	(21.8)	383.2
Advances Paid to Suppliers	472.0	(110.8)	361.2
Derivative Financial Instruments	123.4	-	123.4
Trade Receivables	1,737.7	28.7	1,766.4
Current Income Tax Receivables	99.9	(12.5)	87.4
Other Current Receivables	464.2	(1.2)	463.0
Cash and Cash Equivalents	3,205.4	(216.3)	2,989.1
Total Current Assets	**6,782.5**	**(334.0)**	**6,448.5**
Assets Classified as Held for Sale	4.0	-	4.0
TOTAL ASSETS	**13,023.5**	**(286.3)**	**12,737.2**

Equity and liabilities

In millions of Euro	As of December 31, 2013 Adjusted	Adjustments	As of December 31, 2013 Consolidated
Share Capital	86.7	-	86.7
Share Premium	1,923.3	-	1,923.3
Retained Earnings	1,972.1	-	1,972.1
Treasury Shares	(133.6)	-	(133.6)
Foreign Currency Translation Reserves	(259.5)	-	(259.5)
Fair Value Reserves	4.7	-	4.7
Net Income	563.1	-	563.1
Total Equity Attributable to Shareholders of the Parent Company	**4,156.8**	**-**	**4,156.8**
Non-Controlling Interests	17.3	-	17.3
Total Equity	**4,174.1**	**-**	**4,174.1**
Non-Current Financial Debts	2,214.3	-	2,214.3
Non-Current Provisions	261.5	(1.3)	260.2
Deferred Tax Liabilities	179.1	4.7	183.8
Other Non-Current Liabilities	68.6	-	68.6
Total Non-Current Liabilities	**2,723.5**	**3.4**	**2,726.9**
Current Financial Debts	159.5	-	159.5
Trade Payables	2,476.9	(41.5)	2,435.4
Construction Contracts – Amounts in Liabilities	1,721.4	(222.3)	1,499.1
Derivative Financial Instruments	32.7	-	32.7
Current Provisions	218.2	(2.0)	216.2
Current Income Tax Payables	162.6	(6.9)	155.7
Other Current Liabilities	1,354.6	(17.0)	1,337.6
Total Current Liabilities	**6,125.9**	**(289.7)**	**5,836.2**
Total Liabilities	**8,849.4**	**(286.3)**	**8,563.1**
Liabilities Directly Associated with the Assets Classified as Held for Sale	-	-	-
TOTAL EQUITY AND LIABILITIES	**13,023.5**	**(286.3)**	**12,737.2**

In millions of Euro	12 months 2014 Adjusted	Adjustments	2014 Consolidated
Net Income/(Loss) for the Year (including Non-Controlling Interests)	442.4	-	442.4
Adjustments for:			
Amortization and Depreciation of Property, Plant and Equipment	263.8	-	263.8
Amortization and Depreciation of Intangible Assets	19.5	-	19.5
Non-Cash Convertible Bond Expenses	29.2	-	29.2
Charges related to Share-based Payment and Employee Savings Plans ("*Plans d'Épargne Entreprise*")	40.0	-	40.0
Non-Current Provisions (including Pensions and other Long-Term Employee Benefit Plans)	(35.4)	-	(35.4)
Share of (Income)/Loss of Equity Affiliates (net of Distributed Dividends)	(11.2)	(20.7)	(31.9)
Net (Gains)/Losses on Disposal of Assets and Investments	(7.1)	-	(7.1)
Deferred Income Tax (Credit)/Expense	21.4	(19.6)	1.8
	762.6	(40.3)	722.3
(Increase)/Decrease in Working Capital Requirement	104.9	(702.2)	(597.3)
Net Cash Generated from/(Used in) Operating Activities	**867.5**	**(742.5)**	**125.0**
Purchases of Property, Plant and Equipment	(360.2)	0.6	(359.6)
Proceeds from Disposal of Property, Plant and Equipment	56.7	(0.1)	56.6
Purchases of Intangible Assets	(15.4)	-	(15.4)
Proceeds from Disposal of Intangible Assets	4.7	-	4.7
Acquisitions of Financial Assets	(36.7)	-	(36.7)
Proceeds from Disposal of Financial Assets	24.6	-	24.6
Acquisition Costs of Consolidated Companies, net of Cash Acquired	(58.8)	-	(58.8)
Net Cash Generated from/(Used in) Investing Activities	**(385.1)**	**0.5**	**(384.6)**
Increase in Borrowings	216.9	-	216.9
Decrease in Borrowings	(136.9)	-	(136.9)
Capital Increase	11.7	-	11.7
Share Buy-Back	(41.8)	-	(41.8)
Dividends Paid	(206.5)	-	(206.5)
Dividends Paid to Non-Controlling Interests	(2.8)	-	(2.8)
Net Cash Generated from/(Used in) Financing Activities	**(159.4)**	**-**	**(159.4)**
Net Effects of Foreign Exchange Rate Changes	211.4	(94.4)	117.0
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**534.4**	**(836.4)**	**(302.0)**
Cash and Cash Equivalents as of January 1	3,205.4	(216.3)	2,989.1
Bank Overdrafts as of January 1	(2.4)	-	(2.4)
Cash and Cash Equivalents as of December 31	3,738.3	(1,052.7)	2,685.6
Bank Overdrafts as of December 31	(0.9)	-	(0.9)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**534.4**	**(836.4)**	**(302.0)**

In millions of Euro	12 months 2013 Adjusted	Adjustments	2013 Consolidated
Net Income/(Loss) for the Year (including Non-Controlling Interests)	570.0	-	570.0
Adjustments for:			
Amortization and Depreciation of Property, Plant and Equipment	201.3	-	201.3
Amortization and Depreciation of Intangible Assets	16.5	-	16.5
Non-Cash Convertible Bond Expenses	28.2	-	28.2
Charges related to Share-based Payment and Employee Savings Plans ("*Plans d'Épargne Entreprise*")	46.0	-	46.0
Non-Current Provisions (including Pensions and other Long-Term Employee Benefit Plans)	22.9	(0.2)	22.7
Share of (Income)/Loss of Equity Affiliates (net of Distributed Dividends)	8.1	(39.0)	(30.9)
Net (Gains)/Losses on Disposal of Assets and Investments	(18.7)	-	(18.7)
Deferred Income Tax (Credit)/Expense	12.1	11.3	23.4
	886.4	(27.9)	858.5
(Increase)/Decrease in Working Capital Requirement	419.2	(136.5)	282.7
Net Cash Generated from/(Used in) Operating Activities	1,305.6	(164.4)	1,141.2
Purchases of Property, Plant and Equipment	(551.3)	-	(551.3)
Proceeds from Disposal of Property, Plant and Equipment	67.2	-	67.2
Purchases of Intangible Assets	(23.9)	-	(23.9)
Proceeds from Disposal of Intangible Assets	-	-	-
Acquisitions of Financial Assets	-	-	-
Proceeds from Disposal of Financial Assets	12.1	-	12.1
Acquisition Costs of Consolidated Companies, net of Cash Acquired	(8.2)	-	(8.2)
Net Cash Generated from/(Used in) Investing Activities	(504.1)	-	(504.1)
Increase in Borrowings	721.1	-	721.1
Decrease in Borrowings	(220.0)	-	(220.0)
Capital Increase	25.6	-	25.6
Share Buy-Back	(40.0)	-	(40.0)
Dividends Paid	(186.0)	-	(186.0)
Net Cash Generated from/(Used in) Financing Activities	300.7	-	300.7
Net Effects of Foreign Exchange Rate Changes	(138.3)	8.2	(130.1)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**963.9**	**(156.2)**	**807.7**
Cash and Cash Equivalents as of January 1	2,239.4	(60.1)	2,179.3
Bank Overdrafts as of January 1	(0.3)	-	(0.3)
Cash and Cash Equivalents as of December 31	3,205.4	(216.3)	2,989.1
Bank Overdrafts as of December 31	(2.4)	-	(2.4)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**963.9**	**(156.2)**	**807.7**

Note 4 – Operating Income/(Loss)

The breakdown of the different items of operating income/(loss) by nature is as follows:

(a) Revenues

Revenues break down as follows:

In millions of Euro	2014	2013 restated
Rendering of Services	9,931.0	8,767.5
Sales of Goods	142.9	80.2
TOTAL REVENUES	**10,073.9**	**8,847.7**

In 2014, no client represented more than 10% of Group consolidated revenues. In 2013, one single customer represented 12% of Group consolidated revenues.

(b) Cost of Sales by Nature

Cost of sales comprises the following items:

In millions of Euro	2014	2013 restated
Employee Expenses	(1,897.2)	(1,812.4)
Operating Leases	(247.2)	(196.1)
Amortization and Depreciation of Property, Plant and Equipment	(262.1)	(200.5)
Amortization of Intangible Assets	(11.6)	(8.3)
Purchases, External Charges and Other Expenses	(6,188.2)	(5,043.7)
TOTAL COST OF SALES	**(8,606.3)**	**(7,261.0)**

(c) Research and Development Costs

Research and development costs amounted to €82.6 million in 2014 compared to €75.5 million in 2013. No development costs were capitalized during the two financial years disclosed 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	2014	2013 restated
Employee Expenses (1)	(239.0)	(270.5)
Operating Leases	(41.4)	(44.1)
Amortization and Depreciation of Property, Plant and Equipment	(1.7)	(0.8)
Amortization of Intangible Assets	(7.9)	(8.2)
Purchases, External Charges and Other Expenses	(133.6)	(171.1)
TOTAL ADMINISTRATIVE COSTS	**(423.6)**	**(494.7)**

(1) Include charges for share subscription and performance share grants: €40.0 million in 2014 compared to €46.0 million in 2013.

(e) Other Operating Income

Other operating income break down as follows:

In millions of Euro	2014	2013 restated
Net Proceeds from Disposal of Property, Plant and Equipment (1)	7.9	12.4
Net Proceeds from Disposal of Intangible Assets	4.7	-
Reinsurance Income	11.5	13.2
Other	6.9	8.3
TOTAL OTHER OPERATING INCOME	**31.0**	**33.9**

(1) Include €56.6 million of proceeds of tangible assets as of December 31, 2014.

(f) Other Operating Expenses

Other operating expenses break down as follows:

In millions of Euro	2014	2013 restated
Reinsurance Costs	(7.2)	(10.6)
Other	(4.2)	(3.8)
TOTAL OTHER OPERATING EXPENSES	**(11.4)**	**(14.4)**

(g) Income/(Charges) from Disposals of Activities

The result from sales of activities for a total amount of €(5.5) million in 2014 is exclusively composed of impacts of disposals of the following consolidated investments:

- Technip TPS, fully-owned French subsidiary totally disposed on April 30, 2014; and
- Seamec, which all of Group investment share of 75% was sold successively on June 3, September 26, then on December 4, 2014.

The proceeds from these operations, net of cash disposal, amounted €24.6 million in 2014.

In 2013, the Group did not sell any activities entering in this category.

(h) Income/(Charges) from Non-Current Activities

For the financial year ended December 31, 2014, non-current expenses for an aggregate amount of €68.1 million were mainly recognized for the closure costs of the Group Offshore Wind activity, restructuring costs and a transaction paid within the framework of a negotiation concerning a claim on contracts dating more than five years.

In 2013, no non-current expenses has been recognized.

(i) Employee Expenses

Employee expenses break down as follows:

In millions of Euro	2014	2013 restated
Wages and Salaries	(1,769.8)	(1,646.0)
Social Security Costs	(315.4)	(307.3)
Pension Costs – Defined Contribution Plans	(55.8)	(52.2)
Pension Costs – Defined Benefit Plans	(23.6)	(19.4)
Share Subscription or Purchase Options and Performance Shares	(40.0)	(46.0)
Cash Incentive Plans	(36.7)	(30.0)
Capital Increase Reserved for Employees	-	-
Other	(7.3)	(108.7)
TOTAL EMPLOYEE EXPENSES	**(2,248.6)**	**(2,209.6)**

Employee expenses only relate to Group employees. Subcontractors' costs are excluded.

Note 5 – Financial Income and Expenses

Net financial result as of December 31, 2014 amounted to €(127.3) million compared to €(81.6) million as of December 31, 2013. It breaks down as follows:

(a) Financial Income

In millions of Euro	2014	2013 restated
Interest Income from Treasury Management [(1)]	37.8	48.1
Dividends from Non-Consolidated Investments	1.6	3.5
Financial Income related to Long-Term Employee Benefit Plans	7.7	5.6
Foreign Currency Translation Gains	395.4	277.2
Changes in Derivative Fair Value, Net	-	2.9
Inefficient Part of Derivative Instruments, Net [(2)]	7.5	-
Net Proceeds from Disposal of Financial Assets	-	7.0
Total Financial Income	450.0	344.3

(1) Mainly results from interest income from short-term security deposits.
(2) Mainly includes swap points on derivative financial instruments.

(b) Financial Expenses

In millions of Euro	2014	2013 restated
Interest Expenses on Private Placements	(34.9)	(25.2)
Interest Expenses on Convertible Bonds	(33.2)	(32.2)
Fees Related to Credit Facilities	(2.5)	(3.2)
Financial Expenses related to Long-Term Employee Benefit Plans	(15.8)	(12.7)
Interest Expenses on Bank Borrowings and Overdrafts	(32.1)	(24.1)
Depreciation on Financial Assets, Net	(68.4)	(0.1)
Foreign Currency Translation Losses	(318.7)	(304.8)
Changes in Derivative Fair Value, Net	(58.3)	-
Inefficient Part of Derivative Instruments, Net	-	(9.2)
Other	(13.4)	(14.4)
Total Financial Expenses	(577.3)	(425.9)
NET FINANCIAL RESULT	**(127.3)**	**(81.6)**

Note 6 – Income Tax

(a) Income Tax Expense

The income tax expense booked in the statement of income for an amount of €156.9 million in 2014 is explained as follows:

In millions of Euro	2014	2013 restated
Current Income Tax Credit/(Expense)	(155.1)	(177.2)
Deferred Income Tax Credit/(Expense)	(1.8)	(23.4)
INCOME TAX CREDIT/(EXPENSE) AS RECOGNIZED IN STATEMENT OF INCOME	**(156.9)**	**(200.6)**
Deferred Income Tax related to Items Booked Directly to Opening Equity	(50.2)	(33.2)
Deferred Income Tax related to Items Booked to Equity during the Year	110.5	(17.0)
INCOME TAX CREDIT/(EXPENSE) AS REPORTED IN EQUITY	**60.3**	**(50.2)**

(b) Income Tax Reconciliation

The reconciliation between the tax calculated using the standard tax rate applicable to Technip and the amount of tax effectively recognized in the accounts is detailed as follows:

In millions of Euro	2014	2013 restated
Net Income from Continuing Operations	442.4	570.0
Income Tax Credit/(Expense) on Continuing Operations	(156.9)	(200.6)
Income Before Tax	599.3	770.6
At Parent Company Statutory Income Tax Rate of 38%	(227.7)	(292.8)
Differences between Parent Company and Foreign Income Tax Rates	45.8	104.6
Share of Income/(Loss) of Equity Affiliates	15.3	16.7
Additional Local Income Tax and Foreign Tax	(25.8)	(22.6)
Gains/(Losses) Taxable at a Particular Rate	18.3	21.1
Other Non-Deductible Expenses	(26.2)	(20.3)
Deferred Tax Assets not Recognized on Tax Loss of the Year	(32.4)	(18.0)
Adjustments on Prior Year Current Taxes	3.1	19.8
Deferred Tax relating to Changes in Tax Rates	(0.6)	3.0
Adjustments on Prior Year Deferred Taxes	71.1	(4.2)
Consolidation Adjustments with no Tax Impact	5.4	(7.1)
Other	(3.2)	(0.8)
Effective Income Tax Credit/(Expense)	(156.9)	(200.6)
Tax Rate	*26.2%*	*26.0%*
INCOME TAX CREDIT/(EXPENSE) AS REPORTED IN THE CONSOLIDATED STATEMENT OF INCOME	**(156.9)**	**(200.6)**

The tax rate used for the purpose of the tax proof is 38% in 2014 as in 2013.

In 2014 and 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.

(c) Deferred Income Tax

The principles described in Note 1-C (v) – Deferred income tax are explained as follows:

	As of December 31,	
In millions of Euro	2014	2013 restated
Tax Losses Carried Forward	79.5	51.6
Margin Recognition on Construction Contracts	13.7	42.4
Provisions for Pensions and other Long-Term Employee Benefits	74.5	72.4
Contingencies related to Contracts	115.7	114.3
Other Contingencies	(9.5)	(32.4)
Temporarily Non-Deductible Expenses	3.1	3.2
Fair Value Losses	90.1	24.7
Other Temporary Differences	(1.5)	(30.5)
Total Deferred Income Tax Assets	365.6	245.7
Differences between Taxable and Accounting Depreciation	100.9	99.3
Margin Recognition on Construction Contracts	88.2	54.5
Fair Value Gains	6.7	29.1
Total Deferred Income Tax Liabilities	195.8	182.9
NET DEFERRED INCOME TAX ASSETS/(LIABILITIES)	**169.8**	**62.8**

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).

As of December 31, 2014, the net deferred tax asset of €169.8 million is broken down into a deferred tax asset of €366.0 million and a deferred tax liability of €196.2 million as recorded in the statement of financial position. As of December 31, 2013, the net deferred tax asset of €62.8 million is broken down into a deferred tax asset of €246.6 million and a deferred tax liability of €183.8 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 amounted to €401.2 million as of December 31, 2014, compared to €383.0 million as of December 31, 2013. The majority of these came from the ex-Global Industries US entities for €152.0 million, Brazilian entities for €133.7 million, a Saudi entity for €45.8 million and a Finnish entity for €37.4 million. As of December 31, 2014, the unrecorded deferred income tax assets corresponding to these tax loss carry-forwards amounted to €106.7 million. All of these tax loss carry-forwards are reportable over an unlimited period of time, except in Finland where there is only a 10-year time limit.

Note 7 – Income/(Loss) from Discontinued Operations

According to IFRS 5, income/(loss) from operations discontinued during the financial year is reported in this note.

In 2014 and 2013, no activity was closed or 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	2014	2013 restated
Net Income Attributable to Shareholders of the Parent Company	436.6	563.1
Financial Expense on Convertible Bonds, Net of Tax	20.6	20.6
ADJUSTED NET INCOME FOR DILUTED EARNINGS PER SHARE	**457.2**	**583.7**
In thousands		
Weighted Average Number of Outstanding Shares during the Financial Year (excluding Treasury Shares) used for Basic Earnings per Share	112,174	111,292
Effect of Dilution:		
■ Share Subscription Options	452	663
■ Performance Shares	848	1,025
■ 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	**125,271**	**124,777**
In Euro		
Basic Earnings per Share	3.89	5.06
DILUTED EARNINGS PER SHARE	**3.65**	**4.68**

During the financial years 2014 and 2013, 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 2014, the average annual share price amounted to €68.18 and the closing price to €49.42. As a result, eight share subscription option plans were anti-dilutive: the 2010 (Part 3) plan, as well as 2011, 2012 and 2013 plans.

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.

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	29.3	286.5	2,004.2	894.6	242.3	287.2	216.3	3,960.4
Accumulated Amortization	-	(158.8)	(595.1)	(456.1)	(166.8)	-	(115.2)	(1,492.0)
Accumulated Impairment Losses	(0.8)	-	(97.1)	(16.6)	-	(1.1)	-	(115.6)
Net Book Value as of December 31, 2013 restated	28.5	127.7	1,312.0	421.9	75.5	286.1	101.1	2,352.8
Costs	34.7	497.2	2,145.2	1,076.7	255.0	51.5	222.1	4,282.4
Accumulated Amortization	-	(189.8)	(645.1)	(507.1)	(174.6)	-	(125.9)	(1,642.5)
Accumulated Impairment Losses	(0.8)	(3.3)	(107.7)	(19.1)	-	(8.2)	-	(139.1)
NET BOOK VALUE AS OF DECEMBER 31, 2014	**33.9**	**304.1**	**1,392.4**	**550.5**	**80.4**	**43.3**	**96.2**	**2,500.8**

Changes in net property, plant and equipment during the two previous financial years 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, 2013 restated	29.9	138.5	695.0	572.2	59.5	539.9	106.8	2,141.8
Additions – Acquisitions – Internal Developments	-	3.6	105.6	85.0	42.6	280.6	41.8	559.2
Additions – Business Combinations	-	-	-	-	-	-	-	-
Disposals – Write-off	-	(0.8)	(39.5)	(19.9)	(1.4)	-	(0.9)	(62.5)
Depreciation Expense for the Year	-	(13.0)	(84.0)	(61.9)	(24.3)	-	(16.3)	(199.5)
Impairment Losses	-	-	-	(0.7)	-	(1.1)	-	(1.8)
Net Foreign Exchange Differences	(1.4)	(3.0)	(21.9)	(22.3)	(3.4)	(29.1)	(13.0)	(94.1)
Other (1)	-	2.4	656.8	(130.5)	2.5	(504.2)	(17.3)	9.7
Net Book Value as of December 31, 2013 restated	28.5	127.7	1,312.0	421.9	75.5	286.1	101.1	2,352.8
Additions – Acquisitions – Internal Developments (2)	2.4	5.6	112.6	63.9	22.2	112.2	13.0	331.9
Additions – Business Combinations	-	-	-	-	-	-	0.3	0.3
Disposals – Write-off	-	(1.4)	(60.4)	(26.4)	(1.3)	(0.1)	(1.0)	(90.6)
Depreciation Expense for the Year	-	(22.4)	(104.7)	(71.9)	(25.9)	-	(16.1)	(241.0)
Impairment Losses	-	(3.3)	(10.6)	(2.5)	-	(6.4)	-	(22.8)
Net Foreign Exchange Differences	2.4	5.0	124.0	20.9	2.4	10.7	1.8	167.2
Other (1)	0.6	192.9	19.5	144.6	7.5	(359.2)	(2.9)	3.0
NET BOOK VALUE AS OF DECEMBER 31, 2014	**33.9**	**304.1**	**1,392.4**	**550.5**	**80.4**	**43.3**	**96.2**	**2,500.8**

(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, 2013, and December 31, 2014, amounted €27.7 million. The cash flows associated with the acquisition of tangible assets equal to €(359.6) million.

Pledged fixed assets amounted to €57.1 million as of December 31, 2014. 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	Software	Other	Total
Costs	3,226.1	147.3	123.3	2.8	3,499.5
Accumulated Amortization	-	(100.7)	(64.1)	(2.1)	(166.9)
Accumulated Impairment Losses	-	-	-	-	-
Net Book Value as of December 31, 2013 restated	**3,226.1**	**46.6**	**59.2**	**0.7**	**3,332.6**
Costs	3,388.7	157.2	139.5	3.0	3,688.4
Accumulated Amortization	-	(108.3)	(81.2)	(2.4)	(191.9)
Accumulated Impairment Losses	-	-	-	-	-
NET BOOK VALUE AS OF DECEMBER 31, 2014	**3,388.7**	**48.9**	**58.3**	**0.6**	**3,496.5**

(a) Changes in Net Intangible Assets

Changes in net intangible assets during the two previous financial years break down as follows:

In millions of Euro	Goodwill	Licenses/ Patents/ Trademarks	Software	Other	Total
Net Book Value as of January 1, 2013 restated	**3,273.0**	**54.8**	**50.3**	**0.9**	**3,379.0**
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 [1]	(55.5)	(4.3)	(0.4)	-	(60.3)
Other	-	-	0.7	(0.2)	0.6
Net Book Value as of December 31, 2013 restated	**3,226.1**	**46.6**	**59.2**	**0.7**	**3,332.6**
Additions – Acquisitions – Internal Developments [2]	72.9	-	15.2	-	88.1
Additions – Business Combinations	-	1.0	-	-	1.0
Disposals – Write-off	-	-	-	-	-
Amortization Charge for the Year	-	(3.1)	(16.1)	(0.3)	(19.5)
Impairment Losses	-	-	-	-	-
Net Foreign Exchange Differences [1]	89.7	4.4	0.6	0.1	94.8
Other	-	-	(0.6)	0.1	(0.5)
NET BOOK VALUE AS OF DECEMBER 31, 2014	**3,388.7**	**48.9**	**58.3**	**0.6**	**3,496.5**

(1) Goodwill is mainly denominated in Euro.
(2) The variation of the intangible assets payables between December 31, 2013, and December 31, 2014, amounted €0.2 million. The cash flows associated with the acquisition of intangible assets equal to €(15.4) million.

(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).

The following table shows the detail of goodwill by business segment:

In millions of Euro	As of December 31, 2014	As of December 31, 2013 restated
Subsea	2,662.1	2,591.8
Onshore/Offshore	726.6	634.3
TOTAL GOODWILL	**3,388.7**	**3,226.1**

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 2014 relied on the business plans covering years 2015 to 2017 for each Cash-Generating Units (Onshore/Offshore/Subsea).

As a general rule, 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 2017, 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 2014 are unchanged compared to 2013.

As of December 31, 2014, impairment tests performed on the net book value of goodwill did not result in the accounting of an impairment loss. A 1.0% decrease in the 2017 operating margin ratio relative to the business plan estimates, the use of a 2.0% growth rate after 2017, 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 2013.

Note 11 – Investments in Equity Affiliates

Financial information (at 100%) of the Joint Ventures as of December 31, 2014, are as follows:

	As of December 31,	
In millions of Euro	2014	2013 restated
Data at 100%		
Non-Current Assets	1,383.2	779.6
Current Assets	3,259.6	1,100.0
Total Assets	**4,642.8**	**1,879.6**
Total Equity	361.2	224.5
Non-Current Liabilities	817.1	406.4
Current Liabilities	3,464.5	1,248.7
Total Equity and Liabilities	**4,642.8**	**1,879.6**
Revenues	2,223.0	1,454.0
Net Income/(Loss)	77.1	140.4
Other Comprehensive Income	(43.0)	(13.5)
Comprehensive Income for the Year	22.4	126.9
Proportion of Equity method	**195.6**	**172.2**
Cash and Cash Equivalents	1,090.4	252.2
Depreciation and Amortization	19.4	15.6

Changes in investments in equity affiliates break down as follows:

In millions of Euro	2014	2013 restated
Carrying Amount of Investments as of January 1	**172.2**	**160.7**
Additions – Business Combinations	41.2	5.1
Disposals	0.6	-
Share of Income/(Loss) of Equity Affiliates	40.3	35.2
Distributed Dividends	(8.4)	(4.3)
Other Comprehensive Income	(43.5)	(13.4)
Net Foreign Exchange Differences	(6.8)	(11.1)
CARRYING AMOUNT OF INVESTMENTS AS OF DECEMBER 31	**195.6**	**172.2**

Note 12 – Other Financial Assets

As per Note 1-C (l) – 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, 2014, impairment tests performed on the net book value of other financial assets (non-current) did not result in any recognition of impairment loss on investments and related receivables.

The breakdown by nature of other financial assets, net is presented below:

	As of December 31,			
	2014		2013 restated	
In millions of Euro	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Non-Consolidated Investments	7.9	7.9	7.5	7.5
Valuation Allowance	(1.1)	(1.1)	(0.9)	(0.9)
Net Value of Non-Consolidated Investments	**6.8**	**6.8**	**6.6**	**6.6**
Loans	44.4	44.4	19.3	19.3
Net Value of Loans	**44.4**	**44.4**	**19.3**	**19.3**
Liquidity Contract	0.4	0.4	0.8	0.8
Net Value of Liquidity Contract	**0.4**	**0.4**	**0.8**	**0.8**
Security Deposits and Other	152.9	152.9	50.4	50.4
Valuation Allowance	(1.9)	(1.9)	(1.9)	(1.9)
Net Value of Security Deposits and Other	**151.0**	**151.0**	**48.5**	**48.5**
TOTAL OTHER FINANCIAL ASSETS, NET	**202.6**	**202.6**	**75.2**	**75.2**

Note 13 – Available-for-Sale Financial Assets

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), totalling 136 million shares. This company is listed in Malaysia (Bursa Malaysia Securities Berhad).

As of December 31, 2014, the MHB available-for-sale financial assets amounted to €57.0 million.

In the financial year ended 2014, a depreciation was booked in the statement of income for €68.0 million.

	As of December 31,			
	2014		2013 restated	
In millions of Euro	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Share – Unlisted	-	-	-	-
Share – Listed	57.0	57.0	105.3	105.3
TOTAL AVAILABLE-FOR-SALE FINANCIAL ASSETS	**57.0**	**57.0**	**105.3**	**105.3**

Note 14 – Inventories

The breakdown of inventories is as follows:

	As of December 31,	
In millions of Euro	2014	2013 restated
Raw Materials	284.1	218.1
Work in Progress	32.5	37.5
Finished Goods and Merchandise	61.3	40.7
Valuation Allowance	(22.2)	(21.5)
TOTAL NET INVENTORIES	**355.7**	**274.8**

As of December 31, 2014, inventories meant to be used in the next 12 months amounted to €355.7 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:

	As of December 31,	
In millions of Euro	2014	2013 restated
Construction Contracts – Amounts in Assets	755.1	383.2
Construction Contracts – Amounts in Liabilities	(1,256.1)	(1,499.1)
TOTAL NET CONSTRUCTION CONTRACTS	**(501.0)**	**(1,115.9)**
Costs and Margins Recognized at the Percentage of Completion	12,289.1	9,177.3
Payments Received from Clients	(12,657.6)	(10,121.2)
Accruals for Losses at Completion	(132.5)	(172.0)
TOTAL NET CONSTRUCTION CONTRACTS	**(501.0)**	**(1,115.9)**

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).

	As of December 31,	
In millions of Euro	2014	2013 restated
Regular Trade Receivables	1,149.6	1,308.5
Contracts – To Be Invoiced	569.2	457.3
Doubtful Accounts	36.5	36.7
Provisions for Doubtful Accounts	(35.4)	(36.1)
TOTAL NET TRADE RECEIVABLES	**1,719.9**	**1,766.4**

Trade receivables are non-interest bearing. Their maturities are linked to the operating cycle of contracts. As of December 31, 2014, the portion of trade receivables that had a maturity of less than 12 months amounted to €1,717.8 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 receivables, and are as follows:

In millions of Euro	2014	2013 restated
Provisions for Doubtful Accounts as of January 1	(36.1)	(35.3)
Increase	(1.8)	(8.2)
Used Provision Reversals	1.1	4.7
Unused Provision Reversals	1.4	2.7
PROVISIONS FOR DOUBTFUL ACCOUNTS AS OF DECEMBER 31	**(35.4)**	**(36.1)**

Note 17 – Other Current Receivables

Other current receivables break down as follows:

	As of December 31,	
In millions of Euro	2014	2013 restated
Value Added Tax Receivables	152.0	127.9
Other Tax Receivables	135.5	111.3
Receivables from Employees	7.5	6.9
Prepaid Expenses (1)	122.1	104.4
Insurance Indemnities to be Received	0.1	5.7
Other (2)	164.4	106.8
TOTAL NET OTHER CURRENT RECEIVABLES	**581.6**	**463.0**

(1) Prepaid expenses mainly correspond to insurance costs, as well as building and construction rental expenses.
(2) The line "Other" essentially includes partners' current accounts.

As of December 31, 2014, the portion of other current receivables with a maturity of less than 12 months amounted to €561.8 million. Other current receivables are non-interest bearing.

Note 18 – Cash and Cash Equivalents

Cash and cash equivalents break down as follows:

	As of December 31,	
In millions of Euro	2014	2013 restated
Cash at Bank and in Hand	1,822.1	1,534.1
Cash Equivalents	863.5	1,455.0
TOTAL CASH AND CASH EQUIVALENTS	**2,685.6**	**2,989.1**
US Dollar	1,123.9	1,313.9
Euro	658.4	720.4
Pound Sterling	209.2	196.1
Brazilian Real	126.4	144.6
Malaysian Ringgit	95.6	61.8
Norwegian Krone	90.7	134.9
Australian Dollar	76.3	87.7
Japanese Yen	33.9	45.1
Other	271.2	284.6
TOTAL CASH AND CASH EQUIVALENTS BY CURRENCY	**2,685.6**	**2,989.1**
Certificates of Deposits	100.0	162.2
Fixed Term Deposits	645.6	1,234.2
Other	117.9	58.6
TOTAL CASH EQUIVALENTS BY NATURE	**863.5**	**1,455.0**

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 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 marketable securities 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, 2014, a set of ageing equipment was accounted for as assets held for sale for a total amount of €3.2 million.

As of December 31, 2013, two ageing vessels were accounted for as an asset held for sale for a total amount of €4.0 million.

Note 20 – Shareholder's Equity

(a) Changes in the Parent Company's Share Capital

As of December 31, 2014, Technip's share capital consisted of 113,945,317 outstanding shares with a par value of €0.7625 each. Changes since January 1, 2013, break down as follows:

	Number of Shares	Share Capital (In millions of Euro)
Share Capital as of January 1, 2013 restated	**113,040,513**	**86.2**
Capital Increase due to Share Subscription Options Exercised	639,743	0.5
Share Capital as of December 31, 2013 restated	**113,680,256**	**86.7**
Capital Increase due to Share Subscription Options Exercised	265,061	0.2
SHARE CAPITAL AS OF DECEMBER 31, 2014	**113,945,317**	**86.9**

(b) Technip's Shareholders as of December 31

As of December 31, 2014, 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, 2014	2013 restated
Franklin Resources Inc.	7.20%	0.00%
Causeway Capital Management	6.50%	3.70%
Banque Publique d'Investissement	5.20%	5.20%
Blackrock Inc.	4.90%	4.85%
The Capital Group Companies Inc.	4.40%	7.40%
Oppenheimer Funds Inc.	4.20%	4.00%
IFP Énergies nouvelles	2.50%	2.50%
Amundi Asset Management	2.35%	3.20%
Aviva Plc	2.05%	0.00%
Norges Bank Investment Management	2.00%	2.05%
MFS Investment Management	1.50%	0.90%
Natixis	0.90%	0.90%
BNP Paribas Asset Management	0.30%	2.85%
Group Employees	1.80%	1.85%
Treasury Shares	1.20%	1.55%
Other	53.00%	59.05%
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, 2013 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 restated	**1,774,751**	**(133.6)**
Shares Acquired pursuant to Liquidity Contract	823,060	(57.9)
Shares Sold pursuant to Liquidity Contract	(793,560)	59.1
Shares Purchased for Employees	610,569	(41.8)
Shares Granted to Employees	(1,050,825)	77.3
TREASURY SHARES AS OF DECEMBER 31, 2014	**1,363,995**	**(96.9)**

Treasury shares are held in order to serve performance share plans that were granted to employees in 2010, 2011, 2012, 2013 and 2014.

(d) Fair Value Reserves

Fair value reserves 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, 2013 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 restated	44.2	(19.0)	(20.6)	0.1	4.7
Gross Effect	(348.1)	19.7	(25.7)	-	(354.1)
Tax Effect	106.0	(0.7)	5.2	-	110.5
Other	0.1	-	-	(0.1)	-
FAIR VALUE RESERVES AS OF DECEMBER 31, 2014	**(197.8)**	**-**	**(41.1)**	**-**	**(238.9)**

(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 GIFI shares based on the share price as of December 31 (see Note 13 – Available-for-sale financial assets). MHB shares were depreciated in 2014 with the reversal of associated fair value reserves. GIFI 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, 2014, distributable retained earnings of the parent company amounted to €2,879.2 million, including €2,042.0 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, 2014, the statutory legal reserve amounted to €9.8 million.

(g) Dividends

In 2014, the dividend paid for the financial year ended December 31, 2013, amounted to €206.5 million (*i.e.,* €1.85 per share).

The recommended dividend in respect of 2014 is €2.0 per share and will be submitted for approval at the Shareholders' General Meeting to be held on April 23, 2015. Given that no decision was taken as of December 31, 2014, no impact was recorded in the 2014 financials.

In 2013, the dividend paid for the financial year ended December 31, 2012, amounted to €186.0 million (*i.e.,* €1.68 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 2014 and 2013 are as follows:

Number of Options	Plan 2005			Plan 2008	Plan 2009	Plan 2010			Plan 2011			Plan 2012		Plan 2013		Total
	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]	Part 1 Re-granted [1]	
Approval Date by Shareholders' General Meeting	Apr. 29, 2005	Apr. 29, 2005	Apr. 29, 2005	May 6, 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	Apr. 25, 2013	
Grant Date by the Board of Directors	March 12, 2007	Dec. 12, 2007	June 12, 2008	July 1, 2008	June 15, 2009	June 23, 2010	Dec. 15, 2010	March 4, 2011	June 17, 2011	Dec. 14, 2011	March 2, 2012	June 15, 2012	Dec. 12, 2012	June 14, 2013	Jan. 10, 2014	
Options Granted (Subscription)	987,192	-	-	-	-	-	-	-	-	-	-	-	-	-	-	987,192
Options Re-Granted (Subscription)	15,345	85,000	-	-	-	-	-	-	-	-	-	-	-	-	-	100,345
Options Cancelled (Subscription)	(15,345)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(15,345)
Options outstanding as of December 31, 2007	**987,192**	**85,000**	-	-	-	-	-	-	-	-	-	-	-	-	-	**1,072,192**
Options Granted (Purchase)	-	-	-	953,100	-	-	-	-	-	-	-	-	-	-	-	953,100
Options Granted (Subscription)	3,666	329	-	-	-	-	-	-	-	-	-	-	-	-	-	3,995
Options Re-Granted (Subscription)	-	-	106,858	-	-	-	-	-	-	-	-	-	-	-	-	106,858
Options exercised (Subscription)	(2,054)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,054)
Options Cancelled (Purchase/Subscription)	(58,404)	(5,019)	-	(11,040)	-	-	-	-	-	-	-	-	-	-	-	(74,463)
Options outstanding as of December 31, 2008	**930,400**	**80,310**	**106,858**	**942,060**	-	-	-	-	-	-	-	-	-	-	-	**2,059,628**
Options Granted (Subscription)	-	-	-	-	1,093,175	-	-	-	-	-	-	-	-	-	-	1,093,175
Options Cancelled (Purchase/Subscription)	(2,054)	-	(3,000)	(5,000)	(2,100)	-	-	-	-	-	-	-	-	-	-	(12,154)
Options outstanding as of December 31, 2009	**928,346**	**80,310**	**103,858**	**937,060**	**1,091,075**	-	-	-	-	-	-	-	-	-	-	**3,140,649**
Options Granted (Subscription)	-	-	-	-	-	1,102,300	19,400	-	-	-	-	-	-	-	-	1,121,700
Options exercised (Subscription)	(1,540)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,540)
Options Cancelled (Purchase/Subscription)	(10,783)	(2,008)	-	(32,000)	(24,300)	(11,000)	-	-	-	-	-	-	-	-	-	(80,091)
Options outstanding as of December 31, 2010	**916,023**	**78,302**	**103,858**	**905,060**	**1,066,775**	**1,091,300**	**19,400**	-	-	-	-	-	-	-	-	**4,180,718**
Options Granted (Subscription)	-	-	-	-	-	-	-	81,300	339,400	53,900	-	-	-	-	-	474,600
Options exercised (Subscription)	(323,970)	(16,058)	-	(150)	(525)	(300)	-	-	-	-	-	-	-	-	-	(341,003)
Options Cancelled (Purchase/Subscription)	(13,350)	-	(6,000)	(5,450)	(20,050)	(12,600)	-	(1,800)	-	-	-	-	-	-	-	(59,250)
Options outstanding as of December 31, 2011	**578,703**	**62,244**	**97,858**	**899,460**	**1,046,200**	**1,078,400**	**19,400**	**79,500**	**339,400**	**53,900**	-	-	-	-	-	**4,255,065**

Number of Options	Plan 2005			Plan 2008	Plan 2009	Plan 2010			Plan 2011			Plan 2012		Plan 2013		Total
	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)	Part 1 Re-granted (1)	
Options Granted (Subscription)	-	-	-	-	-	-	-	-	-	-	49,007	284,700	35,350	-	-	369,057
Options exercised (Subscription)	(376,198)	(55,216)	(64,858)	(362,555)	-	-	-	-	-	-	-	-	-	-	-	(858,827)
Options Cancelled (Purchase/ Subscription)	-	-	-	(12,900)	(17,000)	(22,500)	(2,000)	(2,600)	(1,000)	(4,900)	(300)	(600)	-	-	-	(63,800)
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
Options Granted (Subscription)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,520	16,520
Options exercised (Subscription)	-	-	(16,000)	(334,695)	(121,744)	(127,167)	-	-	-	-	-	-	-	-	-	(599,606)
Options Cancelled (Purchase/ Subscription)	-	-	-	4,420	(300)	(11,600)	-	(2,100)	(700)	(1,000)	(600)	(600)	-	(700)	-	(13,180)
OPTIONS OUTSTANDING AS OF DECEMBER 31, 2014	**-**	**-**	**-**	**-**	**477,392**	**882,133**	**17,400**	**70,700**	**330,700**	**43,600**	**47,507**	**278,100**	**34,950**	**321,500**	**16,520**	**2,520,502**
Maturity Date	March 12, 2013	Dec. 12, 2013	June 12, 2014	July 1, 2014	June 15, 2015	June 23, 2016	Dec. 15, 2016	March 4, 2017	June 17, 2018	Dec. 14, 2018	March 2, 2019	June 15, 2019	Dec. 12, 2019	June 14, 2021	Jan. 10, 2022	

(1) Share Subscription option plans exercisable four years from the date of grant and provided certain targets are met.

(2) Share Purchase option 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 2012, 2013 and 2013 re-granting plans, the performance will be respectively measured over the 2012-2014, 2013-2015 and 2014-2016 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 €6.7 million in 2014 compared to €9.9 million in 2013.

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, 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 one year, two years, three years and five 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.

	Plan 2005			Plan 2008	Plan 2009	Plan 2010			Plan 2011			Plan 2012		Plan 2013	
	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	Part 1 Re-granted
Share Price at Grant Date (in Euro)	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	68.71
Exercise Price (in Euro)	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	68.47
Dividend Yield	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%	2.0%
Turnover Rate	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%	2.0% / 2.5%
Volatility	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%	33.8%
Annual Risk Free Interest Rate															
6 months	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%	0.1%
1 year	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%	0.1%
3 years	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%	0.5%
5 years	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%	1.0%
10 years	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%	2.2%
Option Fair Value Set at Grant Date (in Euro)	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	13.99
Maturity Date	March 12, 2013	Dec. 12, 2013	June 12, 2014	July 1, 2014	June 15, 2015	June 23, 2016	Dec. 15, 2016	March 4, 2017	June 17, 2018	Dec. 14, 2018	March 2, 2019	June 15, 2019	Dec. 12, 2019	June 14, 2021	Jan. 10, 2022

Average share price amounted to €68.18 in 2014 and €82.05 in 2013.

(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 2014 and 2013:

Number of shares	Plan 2008	Plan 2009			Plan 2010			Plan 2011			Plan 2012		Plan 2013		Plan 2014	Total
	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	Part 2	Part 1	
Approval date by Shareholders' General Meeting	May 06, 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	Apr. 25, 2013	Apr. 24, 2014	
Grant Date by the Board of Directors	Feb 18, 2009	June 15, 2009	Oct 25, 2009	Feb 16, 2010	June 23, 2010	Dec. 15, 2010	March 4, 2011	June 17, 2011	Dec. 14, 2011	March 2, 2012	June 15, 2012	Dec. 12, 2012	June 14, 2013	Jan. 10, 2014	Dec. 10, 2014	
Outstanding Shares as of January 1st, 2009	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Shares Granted	191,542	981,175	12,000	-	-	-	-	-	-	-	-	-	-	-	-	1,184,717
Shares Cancelled	(1,100)	(2,100)	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,200)
Outstanding Shares as of December 31, 2009	190,442	979,075	12,000	-	-	-	-	-	-	-	-	-	-	-	-	1,181,517
Shares Granted	-	-	-	100,000	883,900	13,800	-	-	-	-	-	-	-	-	-	997,700
Share Exercised	(16)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(16)
Shares Cancelled	(5,034)	(23,200)	-	(1,900)	(11,300)	-	-	-	-	-	-	-	-	-	-	(41,434)
Outstanding Shares as of December 31, 2010	185,392	955,875	12,000	98,100	872,600	13,800	-	-	-	-	-	-	-	-	-	2,137,767
Shares Granted	-	400	-	-	-	-	86,300	361,000	37,050	-	-	-	-	-	-	484,750
Share Exercised	-	(500)	-	(100)	(300)	-	-	-	-	-	-	-	-	-	-	(900)
Shares Cancelled	(4,350)	(15,275)	-	(450)	(12,500)	-	(1,800)	(7,650)	-	-	-	-	-	-	-	(42,025)
Outstanding Shares as of December 31, 2011	181,042	940,500	12,000	97,550	859,800	13,800	84,500	353,350	37,050	-	-	-	-	-	-	2,579,592
Shares Granted	-	-	-	-	-	-	-	-	-	49,357	430,150	126,892	-	-	-	606,399
Share Exercised	(58,842)	(338,000)	(12,000)	(900)	(600)	-	-	(100)	-	-	-	-	-	-	-	(410,442)
Shares Cancelled	(3,550)	(17,600)	-	(2,100)	(24,900)	(1,500)	(2,600)	(4,800)	(3,300)	(1,550)	(3,350)	-	-	-	-	(65,250)
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
Shares Granted	-	-	-	-	-	-	-	-	-	-	-	-	-	73,700	50,400	124,100
Share Exercised	-	-	-	(51,300)	(505,800)	(10,800)	(22,600)	(124,200)	(6,400)	-	-	(550)	(150)	-	-	(721,800)
Shares Cancelled	-	-	-	(1,800)	(5,800)	-	(1,400)	(5,300)	(900)	(550)	(6,850)	(3,503)	(7,800)	(2,250)	-	(36,153)
OUTSTANDING SHARES AS OF DECEMBER 31, 2014	**-**	**-**	**-**	**-**	**-**	**-**	**51,500**	**208,550**	**22,750**	**45,607**	**406,250**	**118,139**	**481,200**	**71,450**	**50,400**	**1,455,846**

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 subscription and share purchase option plans except for the 2011, 2012, 2013 and 2014 plans. For these latter plans, the performance is respectively measured over the 2011-2013, 2012-2014, 2013-2015 and 2014-2016 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 €33.3 million in 2014 compared to €36.1 million in 2013.

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 2008	Plan 2009			Plan 2010			Plan 2011			Plan 2012		Plan 2013		Plan 2014
	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	Part 2	Part 1
Share Price at the Grant Date (in Euro)	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	68.71	47.00
Dividend Yield	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%	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%
Fair Value of Performance Shares Set at Grant Date (in Euro) [(1)]	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	53.37	36.50
Maturity Date	Feb 18, 2013/14	June 15, 2013/14	Oct 25, 2014	Feb 16, 2014/15	June 23, 2014/15	Dec. 15, 2014/15	March 4, 2015/16	June 17, 2015/16	Dec. 14, 2015/16	March 2, 2016/17	June 15, 2016/17	Dec. 12, 2016/17	June 14, 2017/18	Jan. 10, 2018/19	Dec. 10, 2018

(1) The turnover rate and fair value of performance shares differ from country to country.

Average share price amounted to €68.18 in 2014 and €82.05 in 2013.

(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, 2014, Technip continued its purchases of own shares under the program approved by the Shareholders' General Meeting held on April 25, 2013 and on April 24, 2014, for a period of 18 months and relating to a maximum number of shares not exceeding respectively 10% and 8% of the shares comprising the share capital, at a maximum share price of €115 and €95. In all, 610,569 shares were bought during the period at an average price of €68.4, for a total of €41.8 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 Kepler Cheuvreux to execute a liquidity contract in compliance with the AMAFI Code of Conduct.

  During the financial year ended December 31, 2014, 823,060 shares were purchased and 793,560 shares were sold pursuant to the terms and conditions of this liquidity contract.

(k) Non-Controlling Interests

Non-controlling interests amounting to €11.8 million as of December 31, 2014 did not represent a material component of the Group consolidated financial statements in the years ended December 31, 2014, and 2013.

Note 21 – Financial Debts (Current and Non-Current)

(a) Financial Debts, Breakdown by Nature

Financial Debts break down as follows:

	As of December 31,	
In millions of Euro	2014	2013 restated
Convertible Bonds	1,002.8	973.4
Private Placements	868.1	867.1
Bank Borrowings	485.7	373.8
Total Non-Current Financial Debts	**2,356.6**	**2,214.3**
Commercial Papers	156.0	134.0
Bank Borrowings	80.3	5.6
Accrued Interests Payables	20.1	19.9
Total Current Financial Debts	**256.4**	**159.5**
TOTAL FINANCIAL DEBTS	**2,613.0**	**2,373.8**

Convertible bonds include two bonds with an option for conversion and/or exchangeable for new or existing shares (OCEANE) issued on December 2011 and November 2010, along with the convertible debenture of Global Industries issued on July 2007:

- On December 15, 2011, Technip issued an OCEANE bond 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, 2014, the debt component amounted to €465.3 million (see b).
- On November 17, 2010, Technip issued an OCEANE bond 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, 2014, the debt component amounted to €535.6 million (see b).
- On July 27, 2007, Global Industries issued a convertible debenture for a total amount of USD325 million (recorded for €251.2 million as of December 31, 2011). This bond came along with an annual interest rate of 2.75% and a maturity date of August 1, 2027. On January 11, 2012, Global Industries reimbursed a principal amount of USD322.6 million (corresponding to 99.3% of outstanding bonds) and paid USD3.9 million in interests to the bondholders. As of December 31, 2014, the remaining amount is recorded for €1.9 million.

The following private placements are recorded in non-current financial debts:

- On July 27, 2010, Technip achieved a private placement for €200 million (recorded for €198.3 million as of December 31, 2014). 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, 2014). 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 €95.4 million as of December 31, 2014). 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, 2014). 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 €96.2 million as of December 31, 2014). 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 €128.8 million as of December 31, 2014). 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 €124.7 million as of December 31, 2014). The maturity is 10 years; the annual coupon rate is 3.15%.

Bank borrowings and credit facilities principally represent drawings on loans granted to one of the Brazilian subsidiaries for the purpose of pre-financing exports and re-financing investments.

(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 interests 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, 2014, the debt component amounted to €465.3 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, 2014, the debt component amounted to €535.6 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 financial debts is as follows:

	As of December 31,			
	2014		2013 restated	
In millions of Euro	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Convertible Bonds	1,002.8	936.0	973.4	940.8
Private Placements	868.1	991.9	867.1	877.2
Bank Borrowings	485.7	485.7	373.8	373.8
Total Non-Current Financial Debts	**2,356.6**	**2,413.6**	**2,214.3**	**2,191.8**
Commercial Papers	156.0	156.0	134.0	134.0
Bank Borrowings	80.3	80.4	5.6	5.6
Accrued Interests Payables	20.1	20.1	19.9	19.9
Total Current Financial Debts	**256.4**	**256.5**	**159.5**	**159.5**
TOTAL FINANCIAL DEBTS	**2,613.0**	**2,670.1**	**2,373.8**	**2,351.3**

(d) Analysis by Type of Interest Rate

Analysis by type of interest rate after yield management is as follows:

	As of December 31,	
In millions of Euro	2014	2013 restated
Fixed Rate	2,419.7	2,318.5
Floating Rate	193.3	55.3
TOTAL FINANCIAL DEBTS	**2,613.0**	**2,373.8**

As of December 31, 2014, the debt was essentially issued at fixed rate. The fixed rate debt mainly comprised the two convertible bonds, 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, and finally the commercial paper issued by Technip.

Over the financial year 2014, the average rate of the fixed rate debt was 3.94% compared to 3.72% in 2013. Over the same period, the average rate of the Group's overall debt (fixed and floating rate) was 3.90% compared to 3.73% per year in 2013. 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:

	As of December 31,	
In millions of Euro	2014	2013 restated
Euro	2,046.0	1,992.0
US Dollar	2.0	1.7
Brazilian Real	564.9	376.8
Other	0.1	3.3
TOTAL FINANCIAL DEBTS	**2,613.0**	**2,373.8**

(f) Schedule of Financial Debts

The schedule of financial debts is as follows:

In millions of Euro	2015	2016	2017	2018	2019	2020 and beyond	Total
Fixed Rate	243.8	718.9	562.9	5.4	4.1	884.6	2,419.7
Floating Rate	12.6	11.4	11.4	112.3	11.4	34.2	193.3
TOTAL FINANCIAL DEBTS AS OF DECEMBER 31, 2014	**256.4**	**730.3**	**574.3**	**117.7**	**15.5**	**918.8**	**2,613.0**

In millions of Euro	2014	2015	2016	2017	2018	2019 and beyond	Total
Fixed Rate	157.1	65.5	762.1	452.9	2.4	878.5	2,318.5
Floating Rate	2.4	6.6	6.7	6.6	6.6	26.4	55.3
TOTAL FINANCIAL DEBTS AS OF DECEMBER 31, 2013 RESTATED	**159.5**	**72.1**	**768.8**	**459.5**	**9.0**	**904.9**	**2,373.8**

(g) Secured Financial Debts

Secured financial debts are as follows:

	As of December 31,					
	2014			2013 restated		
In millions of Euro	Guarantee	Without Guarantee	Total	Guarantee	Without Guarantee	Total
Bank Overdrafts, Current Facilities and Other	-	-	-	-	-	-
Short Term Part of Long-Term Debts	1.1	255.3	256.4	1.4	158.1	159.5
Total Current Financial Debts	1.1	255.3	256.4	1.4	158.1	159.5
Total Non-Current Financial Debts	1.6	2,355.0	2,356.6	2.7	2,211.6	2,214.3
TOTAL FINANCIAL DEBTS	**2.7**	**2,610.3**	**2,613.0**	**4.1**	**2,369.7**	**2,373.8**

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, four countries represent quite 90% of the Group obligations: the Netherlands, France, United Kingdom and Germany.

Brazil

A jubilee plan provides a lump sum payment of one 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. In 2014, this scheme was terminated and accrued rights were transferred to a Defined Contribution plan, open on January 1, 2015, and where were transferred all rights accrued by the Defined Benefit plan participants. The impacts of this termination are identified in special events (curtailments/settlements).

The Netherlands

The Company has a defined benefit pension plan, which was closed to new entrants, with no future accrual, in 2014. The impacts of this termination are identified in special events (curtailments/settlements).

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's 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	2014	2013 restated
Current Service Cost	22.1	19.4
Financial Cost	14.9	12.2
Expected Return on Plan Assets	(7.6)	(6.3)
Net Actuarial Gain/(Loss) Recognized on Long-Term Benefits	0.4	(0.4)
Cash Incentive Plans	37.5	30.0
Special Events (Curtailment/Settlement)	(114.3)	-
Administration Costs and Taxes	1.1	0.1
NET BENEFIT EXPENSE AS RECORDED IN THE STATEMENT OF INCOME	**(45.9)**	**55.0**

In addition to the defined benefit pension plan expense shown in the above table, defined contribution plan expenses amounted to €55.8 million in 2014, compared to €52.2 million in 2013.

The expected defined benefit plan expense for 2015 calculated on an estimated basis amounts to €16.4 million.

Defined contribution plan expenses expected for 2015 amount to €3.1 million.

Benefits plan cash flows for 2015 amount to €17.0 million.

(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:

	As of December 31,	
In millions of Euro	2014	2013 restated
Provisions	(273.8)	(264.1)
Asset/(Liability) as Recorded in the Statement of Financial Position	(273.8)	(264.1)
Defined Benefit Obligation	(424.6)	(413.5)
Fair Value of Plan Assets	208.0	195.6
Net Defined Benefit Obligation	(216.6)	(217.9)
Cash Incentive Plans	(57.2)	(46.2)
ASSET/(LIABILITY) AS RECORDED IN THE STATEMENT OF FINANCIAL POSITION	**(273.8)**	**(264.1)**

The discounted defined benefit obligation includes €256.2 million for funded plans and €168.5 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	2014	2013 restated
Net benefit Asset/(Liability) as of January 1	(264.1)	(210.7)
Exchange differences on Foreign Plans	(3.0)	5.2
Expenses Charged in the Income Statement	83.4	(25.1)
Contributions Paid	21.4	23.8
Actuarial Gains and Losses	(89.0)	(16.0)
Disposals of Subsidiaries/Changes in Scope of Consolidation	-	(0.8)
Cash Incentive Plans	(11.0)	(30.0)
Other	(11.5)	(10.5)
NET BENEFIT ASSET/(LIABILITY) AS OF DECEMBER 31	**(273.8)**	**(264.1)**

The change in the DBO (Defined Benefit Obligation) is as follows:

In millions of Euro	2014	2013 restated
Defined Benefit Obligation as of January 1	(413.5)	(386.7)
Current Service Cost	(22.1)	(19.4)
Contributions by Employee	(0.4)	(0.3)
Financial Cost	(14.9)	(12.2)
Benefits Paid	18.4	17.7
Actuarial Gains/(Losses)	(115.9)	(26.7)
Special Events (Settlement/Curtailment)	141.9	-
Cash Incentive Plans	(11.0)	(30.3)
Administrative costs and taxes	(1.1)	(0.1)
Exchange Difference	(9.2)	9.5
Other	3.2	35.0
DEFINED BENEFIT OBLIGATION AS OF DECEMBER 31	**(424.6)**	**(413.5)**

Changes in fair value of plan assets are as follows:

In millions of Euro	2014	2013 restated
Fair Value of Plan Assets as of January 1	195.6	176.1
Expected Return	7.6	6.3
Contributions by Employer	12.1	14.3
Contributions by Employee	0.4	0.3
Benefits Paid	(9.0)	(8.2)
Actuarial Gains/(Losses)	26.6	11.1
Exchange Differences on Foreign Plans	6.2	(4.3)
Reduction/Transfers	(31.0)	-
Other	(0.5)	-
FAIR VALUE OF PLAN ASSETS AS OF DECEMBER 31	**208.0**	**195.6**

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	2%	0%	0%	0%	98%	100%
United Kingdom	46%	30%	2%	-10%	32%	100%
Other	59%	8%	0%	-14%	47%	100%

(d) Actuarial Assumptions

The main assumptions on the two zones that make up more than 90% at the end of 2014 of the benefit obligations are detailed in the following table:

	As of December 31, 2014			
	Discount Rate	Future Salary Increase (above Inflation Rate)	Healthcare Cost Increase Rate	Inflation Rate
Euroland	1.85%	From 1.00% to 5.00%	3.00%	1.80%
United Kingdom	3.80%	1.50%	N/A	3.25%

	As of December 31, 2013 restated			
	Discount Rate	Future Salary Increase (above Inflation Rate)	Healthcare Cost Increase Rate	Inflation Rate
Euroland	3.30%	From 0.40% to 3.00%	3.00%	2.00%
United Kingdom	4.40%	1.50%	N/A	3.55%

The discount rates as of December 31, 2014 of the Euroland, United Kingdom and the United States zones (including United Arab Emirates) 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 market 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, 2014 remain unchanged compared to 2013.

A 0.25% decrease in the discount rate would increase the defined benefit obligation by approximately 2.4%.

A 0.25% increase in the inflation rate would increase the defined benefit obligation by approximately 1.6%.

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 2014 break down as follows:

In millions of Euro	As of January 1, 2014 restated	Increase	Used Reversals	Unused Reversals	Foreign Exchange Adjustments	Other	As of December 31, 2014
Pensions and other Long-Term Employee Benefits (1)	234.2	116.5	(22.1)	(99.0)	2.6	(15.7)	216.5
Tax	6.7	-	(0.2)	(6.2)	0.5	-	0.8
Litigation	2.3	-	-	-	-	-	2.3
Provisions for Claims Incurred but not Reported (2)	6.2	1.7	-	-	0.1	-	8.0
Other Non-Current Provisions	10.8	0.3	(4.4)	(0.8)	0.3	(2.2)	4.0
Total Non-Current Provisions	**260.2**	**118.5**	**(26.7)**	**(106.0)**	**3.5**	**(17.9)**	**231.6**
Pensions and other Long-Term Employee Benefits (1)	29.9	25.4	(17.8)	(0.1)	1.3	18.6	57.3
Contingencies related to Contracts (3)	106.6	183.3	(37.6)	(46.7)	4.9	(14.3)	196.2
Tax	26.5	5.1	(9.7)	(2.0)	0.4	-	20.3
Litigation (4)	2.7	8.8	(0.2)	(1.0)	0.1	-	10.4
Provisions for Claims (2)	1.6	1.4	-	-	-	-	3.0
Other Current Provisions	48.9	11.9	(8.8)	(16.6)	0.3	3.4	39.1
Total Current Provisions	**216.2**	**235.9**	**(74.1)**	**(66.4)**	**7.0**	**7.7**	**326.3**
TOTAL PROVISIONS	**476.4**	**354.4**	**(100.8)**	**(172.4)**	**10.5**	**(10.2)**	**557.9**

(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.
(3) Provisions recognized on contingencies on contracts are related to claims on contracts.
(4) See Note 31 – Litigation and contingent liabilities.

(b) Schedule of Provisions

The following table shows the maturity of provisions forecast as of December 31, 2014:

In millions of Euro	As of 31 December, 2014	2015	2016	2017	2018	2019	2020	2021 and beyond
Pensions and other Long-Term Employee Benefits	216.5	-	53.4	16.3	11.5	11.5	13.4	110.4
Tax	0.8	-	0.8	-	-	-	-	-
Litigation	2.3	-	2.3	-	-	-	-	-
Provisions for Claims Incurred but not Reported	8.0	-	-	-	-	-	-	8.0
Other Non-Current Provisions	4.0	-	1.7	0.2	0.1	1.6	-	0.4
Total Non-Current Provisions	**231.6**	**-**	**58.2**	**16.5**	**11.6**	**13.1**	**13.4**	**118.8**
Pensions and other Long-Term Employee Benefits	57.3	57.3	-	-	-	-	-	-
Contingencies related to Contracts (1)	196.2	181.2	14.7	-	-	-	-	0.3
Tax	20.3	20.3	-	-	-	-	-	-
Litigation	10.4	10.4	-	-	-	-	-	-
Provisions for Claims	3.0	3.0	-	-	-	-	-	-
Other Current Provisions	39.1	39.1	-	-	-	-	-	-
Total Current Provisions	**326.3**	**311.3**	**14.7**	**-**	**-**	**-**	**-**	**0.3**
TOTAL PROVISIONS	**557.9**	**311.3**	**72.9**	**16.5**	**11.6**	**13.1**	**13.4**	**119.1**

(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 €2,312.9 million as of December 31, 2014 as compared to €2,435.4 million as of December 31, 2013.

Trade payables are non-interest bearing liabilities. Their maturities are linked to the operating cycle of contracts. As of December 31, 2014, trade payables with a maturity of less than 12 months amounted to €2,287.0 million.

Note 25 – Other Liabilities (Current and Non-Current)

Other current and non-current liabilities are as follows:

	As of December 31,	
In millions of Euro	2014	2013 restated
Wages and Salaries	322.8	277.4
Social Security Costs	73.9	68.1
Other Tax Payables	104.6	120.4
Deferred Income	27.8	36.7
Accruals on Completed Contracts [1]	161.4	164.1
Current Accounts on Contracts under Joint Arrangements	20.7	34.3
Advances Received [2]	857.8	576.2
Other	60.7	60.4
Total Other Current Liabilities	1,629.7	1,337.6
Payables on Fixed Assets	29.6	55.3
Subsidies	9.4	11.4
Other	1.6	1.9
Total Other Non-Current Liabilities	40.6	68.6
TOTAL OTHER LIABILITIES	**1,670.3**	**1,406.2**

(1) When the contract is completed, accrued liabilities are recorded in "Accruals on Completed Contracts" to cover pending expenses until the client signs the final acceptance (see Note 1-C (b) – Long-term contracts).
(2) Corresponds to 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 €1,587.1 million as of December 31, 2014.

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, 2014						
		Analysis by Category of Financial Instruments					
In millions of Euro	Carrying Amount	At Fair Value through Profit or Loss	Loans and Receivables	Available-for-Sale Financial Assets	Liabilities at Amortized Cost	Derivative Instruments	Fair Value
Investments in Non-Consolidated Companies	6.8	6.8	-	-	-	-	6.8
Other Financial Assets	195.8	-	195.8	-	-	-	195.8
Available-for-Sale Financial Assets	57.0	-	-	57.0	-	-	57.0
Derivative Financial Instruments	46.6	-	-	-	-	46.6	46.6
Trade Receivables	1,719.9	-	1,719.9	-	-	-	1,719.9
Current Income Tax Receivables	158.9	-	158.9	-	-	-	158.9
Other Current Receivables	581.6	-	581.6	-	-	-	581.6
Cash and Cash Equivalents	2,685.6	2,685.6	-	-	-	-	2,685.6
TOTAL ASSETS	**5,452.2**	**2,692.4**	**2,656.2**	**57.0**	**-**	**46.6**	**5,452.2**
Non-Current Financial Debts	2,356.6	-	-	-	2,356.6	-	2,413.6
Other Non-Current Liabilities	40.6	-	-	-	40.6	-	40.6
Current Financial Debts	256.4	-	-	-	256.4	-	256.5
Trade Payables	2,312.9	-	2,312.9	-	-	-	2,312.9
Derivative Financial Instruments	300.5	-	-	-	-	300.5	300.5
Current Income Tax Payables	137.7	-	137.7	-	-	-	137.7
Other Current Liabilities	1,629.7	-	1,629.7	-	-	-	1,629.7
TOTAL LIABILITIES	**7,034.4**	**-**	**4,080.3**	**-**	**2,653.6**	**300.5**	**7,091.5**

	As of December 31, 2013 restated						
	Analysis by Category of Financial Instruments						
In millions of Euro	Carrying Amount	At Fair Value through Profit or Loss	Loans and Receivables	Available-for-Sale Financial Assets	Liabilities at Amortized Cost	Derivative Instruments	Fair Value
Investments in Non-Consolidated Companies	6.6	6.6	-	-	-	-	6.6
Other Financial Assets	68.6	-	68.6	-	-	-	68.6
Available-for-Sale Financial Assets	105.3	-	-	105.3	-	-	105.3
Derivative Financial Instruments	123.4	-	-	-	-	123.4	123.4
Trade Receivables	1,766.4	-	1,766.4	-	-	-	1,766.4
Current Income Tax Receivables	87.4	-	87.4	-	-	-	87.4
Other Current Receivables	463.0	-	463.0	-	-	-	463.0
Cash and Cash Equivalents	2,989.1	2,989.1	-	-	-	-	2,989.1
TOTAL ASSETS	**5,609.8**	**2,995.7**	**2,385.4**	**105.3**	**-**	**123.4**	**5,609.8**
Non-Current Financial Debts	2,214.3	-	-	-	2,214.3	-	2,191.8
Other Non-Current Liabilities	68.6	-	-	-	68.6	-	68.6
Current Financial Debts	159.5	-	-	-	159.5	-	159.5
Trade Payables	2,435.4	-	2,435.4	-	-	-	2,435.4
Derivative Financial Instruments	32.7	-	-	-	-	32.7	32.7
Current Income Tax Payables	155.7	-	155.7	-	-	-	155.7
Other Current Liabilities	1,337.6	-	1,337.6	-	-	-	1,337.6
TOTAL LIABILITIES	**6,403.8**	**-**	**3,928.7**	**-**	**2,442.4**	**32.7**	**6,381.3**

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:

	As of December 31, 2014			
In millions of Euro	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value through Profit or Loss	-	6.8	-	6.8
Derivative Financial Instruments	-	46.6	-	46.6
Available-for-Sale Financial Assets	57.0	-	-	57.0
ASSETS	**57.0**	**53.4**	**-**	**110.4**
Financial Liabilities at Fair Value through Profit or Loss	-	-	-	-
Derivative Financial Instruments	-	300.5	-	300.5
LIABILITIES	**-**	**300.5**	**-**	**300.5**

	As of December 31, 2013 restated			
In millions of Euro	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value through Profit or Loss	-	6.6	-	6.6
Derivative Financial Instruments	-	123.4	-	123.4
Available-for-Sale Financial Assets	105.3	-	-	105.3
ASSETS	**105.3**	**130.0**	**-**	**235.3**
Financial Liabilities at Fair Value through Profit or Loss	-	-	-	-
Derivative Financial Instruments	-	32.7	-	32.7
LIABILITIES	**-**	**32.7**	**-**	**32.7**

During the financial year 2014, 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 in the income statement by category of financial instruments break down as follows:

	2014					
		From Subsequent Valuation				
In millions of Euro	Interest	At Fair Value	Currency Translation	Impairment/ Reversal of Impairment	Derecognition	Net Gains/ (Losses)
Categories of Financial Instruments						
At Fair Value through Profit or Loss	37.8	-	-	-	-	37.8
Liabilities at Amortized Cost	(102.7)	-	-	-	-	(102.7)
Derivative Financial Instruments	-	(58.3)	-	7.5	-	(50.8)
TOTAL NET GAINS/(LOSSES)	**(64.9)**	**(58.3)**	**-**	**7.5**	**-**	**(115.7)**

	2013 restated					
		From Subsequent Valuation				
In millions of Euro	Interest	At Fair Value	Currency Translation	Impairment/ Reversal of Impairment	Derecognition	Net Gains/ (Losses)
Categories of Financial Instruments						
At Fair Value through Profit or Loss	48.1	-	-	-	-	48.1
Liabilities at Amortized Cost	(84.7)	-	-	-	-	(84.7)
Derivative Financial Instruments	-	2.9	-	(9.2)	-	(6.3)
TOTAL NET GAINS/(LOSSES)	**(36.6)**	**2.9**	**-**	**(9.2)**	**-**	**(42.9)**

(c) Derivative Financial Instruments

The breakdown by category of derivative financial instruments is as follows:

	As of December 31,			
	2014		2013 restated	
In millions of Euro	Asset	Liability	Asset	Liability
Forward Foreign Exchange Contracts – Fair Value Hedge	1.5	53.1	7.9	7.8
Forward Foreign Exchange Contracts – Cash Flow Hedge	45.1	247.0	115.5	24.7
Forward Foreign Exchange Contracts – not Designated as Hedges for Accounting Purposes	-	0.4	-	0.2
TOTAL DERIVATIVE FINANCIAL INSTRUMENTS	**46.6**	**300.5**	**123.4**	**32.7**

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	2014	2013 restated
Total Gains/(Losses) on Derivative Financial Instruments as Reported in Equity as of January 1	63.1	6.2
Fair Value Gains/(Losses) on Derivative Financial Instruments – Cash Flow Hedge	(348.1)	56.9
TOTAL GAINS/(LOSSES) ON DERIVATIVE FINANCIAL INSTRUMENTS AS REPORTED IN EQUITY AS OF DECEMBER 31	**(285.0)**	**63.1**

Analysis of gains and losses on derivative financial instruments that affect the statement of income is as follows:

In millions of Euro	2014	2013 restated
Effectiveness Gains/(Losses) on Fair Value Hedge (*)	(49.7)	(7.1)
Ineffectiveness Gains/(Losses) on Fair Value Hedge	(2.0)	4.4
Ineffectiveness Gains/(Losses) on Cash Flow Hedge	9.5	(13.6)
Gains/(Losses) on Economic Hedge not Designated as Hedges for Accounting Purposes	(0.2)	0.1
TOTAL GAINS/(LOSSES) ON DERIVATIVE INSTRUMENTS AS RECOGNIZED IN STATEMENT OF INCOME	**(42.4)**	**(16.2)**

(*) 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, exclusively composed of derivative financial instruments, is as follows:

In millions of Euro	As of December 31, 2014					
Financial Assets (by Type of Financial Instruments)	a	b	c	d		e
	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 Financial Collaterals	
TOTAL DERIVATIVE FINANCIAL INSTRUMENTS	**46.6**	**-**	**46.6**	**46.6**	**-**	**-**

In millions of Euro	As of December 31, 2014					
Financial Liabilities (by Type of Financial Instruments)	a	b	c	d		e
	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 Financial Collaterals	
TOTAL DERIVATIVE FINANCIAL INSTRUMENTS	**300.5**	**-**	**300.5**	**46.6**	**-**	**253.9**

In millions of Euro	As of December 31, 2013 restated					
Financial Assets (by Type of Financial Instruments)	a	b	c	d		e
	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 Financial Collaterals	
TOTAL DERIVATIVE FINANCIAL INSTRUMENTS	**123.4**	**-**	**123.4**	**22.9**	**-**	**100.5**

In millions of Euro	As of December 31, 2013 restated					
Financial Liabilities (by Type of Financial Instruments)	a	b	c	d		e
	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 Financial Collaterals	
TOTAL DERIVATIVE FINANCIAL INSTRUMENTS	**32.7**	**-**	**32.7**	**22.9**	**-**	**9.8**

Note 27 – Payroll Staff

Technip has a workforce of more than 38,000 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, 2014 and as of December 31, 2013.

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 €3.2 million in 2014 and €3.3 million in 2013. The amount paid to IFP was €3.2 million in 2014 and €3.8 million in 2013.

(b) Receivables and Payables, Income and Expenses with Respect to Associates in Joint Arrangements

Receivables and payables towards associates in joint arrangements are as follows:

	As of December 31,	
In millions of Euro	2014	2013 restated
Trade Receivables	1.2	3.1
Trade Payables	-	2.5
NET TRADE RECEIVABLES/(PAYABLES)	**1.2**	**0.6**

Income and expenses generated with associates in joint arrangements are as follows:

In millions of Euro	2014	2013 restated
Income	6.5	3.5
Expenses	(2.6)	(5.7)

(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 (Hay and Towers Watson), 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 2014);
2. Industrial and engineering companies belonging to CAC 40 and SBF 80 (33 companies in 2014);
3. European oil companies (nine companies in 2014); and
4. US oil companies based in Texas (20 companies in 2014).

The compensation of the Chairman and Chief Executive Officer is composed of both a fixed and a variable portion.

For 2014, the aggregate amount of compensation paid by the Company to Thierry Pilenko amounted to €1,988,819.

In accordance with Article 23.2.2 of the AFEP-MEDEF Code, the fixed portion is reviewed at relatively long intervals since the base gross compensation (fixed portion) of Thierry Pilenko has remained unchanged since 2011.

The variable portion of compensation is based on the fixed compensation for the previous year. For 2014, 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 in part directly linked to Technip's strategy and cannot be detailed 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 2014: 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 diversity including 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 2014, which is capped at 200% of the target variable portion.

Based on the actual rate of achievement of objectives set for 2014 the variable compensation of Thierry Pilenko as mentioned hereabove has been calculated as follows. It was considered by the Nominations and Remunerations Committee on February 16, 2015 and set by the Board of Directors on February 17, 2015:

Weight	Nature	Scale	Effective realization	Weighted realization	Actual amounts
70%	**Financial objectives** (OIFRA, gross margin on order intake)	0 to 200%	100-110%	73.3%	€659,610
30%	**Individual objectives**	0 to 200%	90.7%	27.2%	€244,998
100%				100.5%	€904,608

The variable portion due to Thierry Pilenko for financial year 2014 is thus €904,608 and will be paid in 2015.

Furthermore, on December 10, 2014, the Board of Directors resolved, for long-term consideration 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 2017 and 2018 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 2014, 2015 and 2016, 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 2014 amounted to €24,030.

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 that 45% of the reference income *i.e.* 21.4%. The ratio for Thierry Pilenko complies with this condition.

No share subscription or purchase options nor performance shares were granted to Thierry Pilenko over financial year 2014.

In financial year 2014, Thierry Pilenko exercised 80,000 share purchase options. 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.

In view of the proposal to renew the mandate of Thierry Pilenko, the Board of Directors, upon recommendation of the Nominations and Remunerations Committee, propose 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 would be the average of the gross annual compensation paid over the last three years, the payment of which would be paid on a monthly basis.

(d) Compensation and retirement Commitments of the Group's Principal Executives

In 2014, 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 during the whole year 2014 (*i.e.*, the seven members of the Excom of the Group) amounted to €5,025,449. The variable portion represented 29.5% 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 2014, amounted to €6.2 million.

In 2014, payment made by Group companies under supplementary retirement plans applicable to the principal executives discussed above amounted to €0.1 million. The recorded expense related to the retirement income guarantee plan for Executive Committee members amounted to €1.3 million in 2014.

As of December 31, 2014, the amount for retirement commitments for Executive Committee members amounted to €9.2 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 2014 was €795,960. 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 Board of Directors of December 10, 2014 approved the following distribution of Directors' fees for 2014:

- a fixed amount of €366,960 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.* €33,360 per Director, adjusted, if needed, on a prorata basis;
- an additional amount of €2,000 per Board meeting distributed among Directors (other than the Chairman and CEO), depending on the attendance rate of the Board members for 2014, 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 2014, 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 2014, the gross amount of compensation and benefits of all kinds paid by Technip to the members of the Board of Directors was €1,988,819.

Note 30 – 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:

	As of December 31,				
	2014				2013 restated
	Amounts of Commitments by Maturity Date				
In millions of Euro	Less than 1 year	1 to 5 year	More than 5 year	Total	Total
Operating Leases	332.9	848.4	632.9	1,814.2	1,585.2
TOTAL CONTRACTUAL COMMITMENTS	**332.9**	**848.4**	**632.9**	**1,814.2**	**1,585.2**
Of which commitments given relating to Joint Operations	-	-	-	-	-

In millions of Euro	As of December 31, 2014 — Amounts of Commitments by Maturity Date: Less than 1 year	1 to 5 years	More than 5 years	2014 Total	2013 restated Total
Commitments Given related to the Execution of Operating Contracts	367.4	3,724.1	560.8	4,652.3	5,509.6
Parent Company Guarantees	27,706.2	17,309.1	24,959.4	69,974.7	46,693.6
TOTAL COMMITMENTS GIVEN RELATED TO OPERATING ACTIVITIES	**28,073.6**	**21,033.2**	**25,520.2**	**74,627.0**	**52,203.2**
Of which commitments given relating to Joint Operations	*4,874.8*	*1,343.5*	*15,259.4*	*21,477.7*	*4,271.4*

In millions of Euro	As of December 31, 2014 — Amounts of Commitments by Maturity Date: Less than 1 year	1 to 5 years	More than 5 years	2014 Total	2013 restated Total
Other Commitments Received related to Operating Activities	354.3	403.4	73.9	831.6	732.5
TOTAL COMMITMENTS RECEIVED RELATED TO OPERATING ACTIVITIES	**354.3**	**403.4**	**73.9**	**831.6**	**732.5**
Of which commitments given relating to Joint Operations	-	-	-	-	-

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 2014, the rental expense amounted to €288.6 million compared to €240.3 million in 2013.

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 (€4,652.3 million as of December 31, 2014).

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 five years. The amounts disclosed under the parent company guarantees, which stand at €69,974.7 million as of December 31, 2014, include the portion of contract allocated to the Group's joint arrangements 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 arrangements, same partners for which Technip issues parent company guarantees.

As of December 31, 2014, the parent company guarantees issued by Technip for contracts outside the scope of a joint arrangement amount to €25,960.9 million.

The following table illustrates the breakdown of €44,013.8 million of parent company guarantees issued by Technip as of December 31, 2014, in respect of joint arrangement contracts, according to the Group's percentage of ownership in these joint arrangements.

In millions of Euro	As of December 31, 2014 — Allocation as per % of Technip's Ownership in Joint Arrangements: Less or equal to 25%	Greater than 25% and less or equal to 40%	Greater than 40%	2014 Total	2013 restated Total
Parent Company Guarantees Given within Joint Arrangements	4,257.3	17,759.6	21,996.9	44,013.8	27,444.5
Of which commitments given relating to Joint Operations	*2,318.4*	*2,059.2*	*16,373.9*	*20,751.5*	*4,486.2*

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:

	As of December 31,				
	2014				2013 restated
	Amounts of Commitments per Period				
In millions of Euro	Less than 1 year	1 to 5 year	More than 5 year	Total	Total
Other Commitments Given related to Financing	-	215.5	1,073.0	1,288.5	1,020.0
TOTAL COMMITMENTS GIVEN RELATED TO FINANCING	**-**	**215.5**	**1,073.0**	**1,288.5**	**1,020.0**

(c) Off-Balance Sheet Commitments Related to Group Scope of Consolidation

There is no significant commitment related to the Group scope of consolidation.

Note 31 – 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 past 12 months, which may have, or have had a significant impact on the Group's financial position or profitability.

(b) Contingent Liabilities

As of the date hereof, there have been no contingent liabilities.

Note 32 – Market Related Exposure

(a) Liquidity Risk

As of December 31, 2014, 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 realization 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 in order 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, 2014, the Group had multiple financing sources for financing its general corporate needs, or for financing new assets or certain operations.

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 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 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 investments.

The bonds will be convertible into or exchangeable for new/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 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, 2014, the amount of the bond booked as non-current financial debt in the statement of financial position amounted to €535.6 million and the amount booked as shareholders' equity amounted to €63.3 million (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 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 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 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/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, 2014, the amount of the bond booked as non-current financial debt in the statement of financial position amounted to €465.3 million and the amount booked as shareholders' equity amounted to €73.1 million (see Note 21 (b) in Section 20.1 of this Reference Document).

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 May 26, 2011. The notes have a 10-year term from 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.

2012 Private placement notes

In June 2012, Technip concluded three long-term private placements, 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 a maturity date on June 14, 2022, 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; with a maturity date on June 15, 2027, 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 a maturity date on June 14, 2032, 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 does not include any financial ratios. 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.

2013 Private placement notes

In October 2013, Technip concluded three long-term private placements, 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 a maturity date on October 7, 2033, 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 a maturity date on October 16, 2023, 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 placement notes concluded on October 18, 2013; with a maturity date on October 18, 2023, 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 does not include any financial ratios. 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.

Açuflex plant financing

Flexibras Tubos Flexiveis, one of the Group's Brazilian subsidiaries, entered on December 18, 2012 into a loan agreement with BNDES *(Banco Nacional de Desenvolvimento Econômico e Social)* 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 harbour (Brazil). The loan is partly 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 monthly instalments 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 ratio. The loan is secured by a guarantee from Technip and not secured by any asset.

As of December 31, 2014, the outstanding amount of the loan was BRL397 million.

BNDES *(Banco Nacional de Desenvolvimento Econômico e Social)* facilities

As of December 31, 2014, Flexibras Tubos Flexiveis, had nine separate loans entered into between August 2012 and October 2014 for a total amount of BRL500 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 nine loans agreements include the standard default provisions for such facilities with BNDES and do not include any financial ratio.

As of December 31, 2014, these fixed rate loans are fully drawn and consist in:

- two separate loan agreements for a total amount of BRL85 million entered into in August 2012, each with different commercial banks (each facility of respectively BRL50 million and BRL35 million). Both facilities have a single redemption date of September 15, 2015;
- three separate loan agreements for a total amount of BRL115 million concluded each 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;
- two separate loan agreements for a total amount of BRL200 million entered into in April 2013, each with a different commercial bank for BRL100 million. Both facilities have a single redemption date of April 15, 2016; and
- two separate loan agreements for an aggregate amount of BRL100 million entered into in June and October 2014 respectively, each with a different commercial bank for BRL50 million. The facilities have respectively a redemption date of July 15, 2017 and October 31, 2017.

Export credit notes (NCE – *Nota de Crédito à Exportação*)

As of December 31, 2014, Flexibras Tubos Flexiveis, 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 ratio.

As of December 31, 2014, these fixed interest rate loans are fully drawn and consist in:

- two separate loan agreements for a total amount of BRL200 million concluded each with different commercial banks in February 2013, each for BRL100 million. These loans have respective redemption dates of January 15, 2016 and February 15, 2016;
- 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 matures in March 7, 2016 and the BRL100 million loan matures on December 11, 2017 further to the extension of its maturity date on January 5, 2015;
- a loan agreement for a total amount of BRL100 million concluded with a commercial bank in February 2013 which was extended before its expiry date pursuant to an agreement entered into on December 30, 2014. This loan has now a redemption date of December 15, 2017.

Loans under Innova Petro program

As of December 31, 2014, these two loans which purpose is to sustain the financing of the development of innovative processes and products by Flexibras Tubos Flexiveis consist in:

- a BRL11.4 million credit facility entered into by Flexibras Tubos Flexiveis on June 13, 2014 with FINEP *(Financiadora de Estudos e Projetos)* the Brazilian Innovation Agency. The loan granted at a floating interest rate, will be reimbursed in 61 equal monthly instalments from June 15, 2017 until June 15, 2022. The loan agreement includes covenants and default provisions that are standard for such facilities with FINEP excluding any financial ratio. The loan is not secured by any asset. As of December 31, 2014, the outstanding amount of the loan was BRL8.1 million;
- a BRL13.7 million credit facility entered into by Flexibras Tubos Flexiveis on July 28, 2014 with BNDES *(Banco Nacional de Desenvolvimento Econômico e Social).* The loan is partly granted at a floating interest rate, while 82% of the total amount is granted at a fixed rate of 4%. It will be reimbursed in 72 equal monthly instalments from September 15, 2016 until August 15, 2022. The loan agreement includes covenants and default provisions that are standard for such facilities BNDES excluding any financial ratio. The loan is not secured by any asset. As of December 31, 2014 the loan was undrawn.

Global industries bond

On January 11, 2012, following the acquisition of Global Industries, Ltd by Technip and its delisting from the NASDAQ (New York), Global Industries Ltd reimbursed, to comply with the conditions set out in the original offering memorandum of the 2.75% USD325 million Senior Convertible Debentures, due August 1, 2027, issued on July 27, 2007, 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, 2014, the non-tendered bonds amounted to USD2.4 million.

Syndicated credit facility and bilateral facilities

As of December 31, 2014, the Group had various unutilized financing sources for an aggregate amount of €1,347.5 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.

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 amended and extended on July 30, 2014. Subsequent to this amendment and extension, the final maturity date of the facility is July 30, 2019, with two one-year extensions on the first and second anniversary of the signing date at the borrowers' option, subject to the lenders' approval.

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

2. In 2014, four separate credit facilities in a total amount of €340 million which may be drawn in Euros were granted to Technip and replaced before their respective expiry dates the existing facilities. The facilities have each two one-year extensions on the first and second respective anniversaries of the signing dates at the borrowers' option, subject to the lenders' approval. Following bilateral negotiations, the amounts and maturity dates are as follows:
   - two facilities of €80 million each that mature on May 16, 2017;
   - a €80 million facility that matures on June 10, 2017;
   - a €100 million facility that matures on May 16, 2019.

   On September 3, 2014, Technip cancelled before its expiry date a €80 million bilateral facility. This facility was unused.

3. An unutilized credit facility amounting to €7.5 million was granted to a Technip subsidiary. This credit agreement includes a floating interest rate in the event that it is utilized as well as standard default provisions.

As of December 31, 2014, the credit facilities confirmed and available to the Group amounted to €1,374.1 million, of which €1,340.0 million is available after December 31, 2015. Out of this total of €1,374.1 million, €34.1 million is reserved for the financing of certain assets or for certain subsidiaries, such as €26.6 million related to the financing of the Açuflex plant.

In 2014, Technip issued again on the commercial paper market in light of favourable market conditions. As of December 31, 2014, the outstanding commercial paper amounted to €156 million. The Group has an authorization from the Banque de France for a maximum amount of €1 billion.

As of December 31, 2014, debt falling due in 2015 and 2016 amounted to €986.7 million including €20.1 million of accrued interest and fees and €966.6 million of principal.

Schedule of contractual outstanding cash flows related to financial liabilities

	As of December 31, 2014				
In millions of Euro	Less than 1 year	Between 1 and 2 year	Between 2 and 5 year	Over 5 year	Total
Convertible Bonds	-	550.0	497.6	2.0	1,049.6
Private Placements	-	-	-	880.0	880.0
Bank Borrowings	-	194.7	240.9	48.8	484.4
Accrued Interest Payables on Bond Loans	-	4.0	1.2	-	5.2
Other Accrued Interest Payables	-	67.5	149.5	177.0	394.0
TOTAL NON-CURRENT FINANCIAL LIABILITIES	**-**	**816.2**	**889.2**	**1,107.8**	**2,813.2**
Commercial Papers	156.0	-	-	-	156.0
Bank Overdrafts	0.9	-	-	-	0.9
Accrued Interest Payables on Bond Loans	4.0	-	-	-	4.0
Other Accrued Interest Payables	71.2	-	-	-	71.2
Other Bank Borrowings	79.4	-	-	-	79.4
Derivative Financial Instruments	161.6	119.1	19.8	-	300.5
TOTAL CURRENT FINANCIAL LIABILITIES	**473.1**	**119.1**	**19.8**	**-**	**612.0**

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, 2014.

In millions of Euro	As of December 31, 2013 restated Less than 1 Year	Between 1 and 2 Years	Between 2 and 5 Years	Over 5 Years	Total
Convertible Bonds	-	-	1,047.6	1.7	1,049.3
Private Placements	-	-	-	880.0	880.0
Bank Borrowings	-	72.1	265.6	36.1	373.8
Accrued Interest Payables on Bond Loans	-	4.0	5.3	-	9.3
Other Accrued Interest Payables	-	55.8	123.4	224.4	403.6
TOTAL NON-CURRENT FINANCIAL LIABILITIES	**-**	**131.9**	**1,441.9**	**1,142.2**	**2,716.0**
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	56.1	-	-	-	56.1
Other Bank Borrowings	3.2	-	-	-	3.2
Derivative Financial Instruments	26.1	6.6	-	-	32.7
TOTAL CURRENT FINANCIAL LIABILITIES	**225.8**	**6.6**	**-**	**-**	**232.4**

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 1-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:

	As of December 31,			
	2014			2013 restated
	Maturity			
In millions of Euro	2015	2016 and beyond	Nominal Value	Nominal Value
Buy Foreign Currencies/Sell Euros	184.6	59.2	243.8	152.5
Sell Foreign Currencies/Buy Euros	1,797.5	779.9	2,577.4	2,785.8
Buy/Sell Foreign Currencies	1,029.9	869.3	1,899.2	1,355.8
TOTAL HEDGING INSTRUMENTS	**3,012.0**	**1,708.4**	**4,720.4**	**4,294.1**

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 €58 million in the result before tax and plus or minus €261 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 €28 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 €193.3 million compared to an aggregate total debt of €2,613.0 million.

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

As of December 31, 2014, the net short-term cash position of the Group (cash and cash equivalents, less short-term financial debts) amounted to €2,429.2 million.

As of December 31, 2014, 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 €93.2 million before tax. A 1% (100 basis points) decrease in interest rates would raise the fair value by €102.4 million before tax.

A 1% (100 basis points) increase in interest rates would generate an additional profit of €22.4 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.

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 Chief Financial Officer.

The Group does not use financial instruments for speculative purposes.

(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:

	As of December 31, 2014				
	Not impaired on the Reporting Date and Past Due in the Following Periods				
In millions of Euro	Less than 3 months	3 to 12 months	Over 1 year	Total	Total Trade Receivables
Trade Receivables	406.9	150.4	107.5	664.8	1,719.9

	As of December 31, 2013 restated				
	Not impaired on the Reporting Date and Past Due in the Following Periods				
In millions of Euro	Less than 3 months	3 to 12 months	Over 1 year	Total	Total Trade Receivables
Trade Receivables	390.8	288.5	33.4	712.7	1,766.4

As of December 31, 2014, the main counterparty for cash and cash equivalents represents 17.0% of total net cash position. The principal counterparty for derivative financial instruments represents 18.9% 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 33 – Auditors' Fees and Services

Auditors' fees and services break down as follows:

	Ernst & Young				PricewaterhouseCoopers			
	2014		2013		2014		2013	
In thousands of Euro	Amount	%	Amount	%	Amount	%	Amount	%
Audit								
Auditing, certification of financial statements, examination of statutory and consolidated financial statements:								
■ Technip	846	19%	761	16%	750	17%	639	16%
■ Subsidiaries	2,116	48%	2,104	43%	2,232	50%	2,260	58%
Other work and services directly related to the responsibilities of Statutory Auditors:								
■ Technip	572	13%	364	8%	375	8%	440	11%
■ Subsidiaries	22	1%	262	5%	377	8%	405	10%
Sub-total	**3,556**	**81%**	**3,491**	**72%**	**3,734**	**83%**	**3,744**	**96%**
Other services								
Legal and tax:								
■ Subsidiaries	818	19%	1,253	26%	761	17%	137	4%
Other:								
■ Subsidiaries	-	-	106	2%	-	-	-	-
Sub-total	**818**	**19%**	**1,359**	**28%**	**761**	**17%**	**137**	**4%**
TOTAL	**4,374**	**100%**	**4,850**	**100%**	**4,495**	**100%**	**3,881**	**100%**

Note 34 – Subsequent Events

There has been no significant subsequent event which occurred since the closing date of the financial year ended December 31, 2014.

20.2. Statutory Financial Statements as of December 31, 2014

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, 2014

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, 2014, 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, 2014 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, corresponding to the probable share purchase cost decreased by the exercise price of the option for share purchase option plans, 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 assumptions on which these estimates are based.

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.

Neuilly-sur-Seine and Paris-La Défense, March 5, 2015

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit		Ernst & Young et Autres
Édouard Sattler	Édouard Demarcq	Nour-Eddine Zanouda

20.2.2. STATUTORY FINANCIAL STATEMENTS

1. BALANCE SHEET

Assets

In millions of Euro	Notes	As of December 31, 2014	2013
Intangible Assets		1.2	1.2
Intangible Assets under Construction		-	-
Total Intangible Assets		**1.2**	**1.2**
Other Tangible Assets		-	-
Advances Paid to Suppliers		-	-
Total Tangible Assets		**-**	**-**
Investments	6.1	3,881.3	3,949.5
Loans Related to Investments	6.1	1,591.4	1,589.7
Other Financial Assets	6.1	93.2	119.6
Total Financial Assets		**5,565.9**	**5,658.9**
Total Fixed Assets (I)	**6.1**	**5,567.1**	**5,660.1**
Advances Paid to Suppliers		1.1	0.3
Trade Receivables	6.2	189.0	268.0
Other Current Receivables	6.2	66.1	57.7
Receivables from Group Companies	6.2	0.1	0.2
Marketable Securities	6.3	4.1	14.8
Cash and Cash Equivalents		3.7	1.3
Total Current Assets, Cash and Cash Equivalents (II)		**264.1**	**342.3**
Accrued Assets (III)	**6.4**	**22.9**	**30.4**
Redemption Premiums on Bonds (IV)	**6.4**	**11.9**	**12.9**
Unrealized Exchange Losses (V)		**1.0**	**7.6**
TOTAL ASSETS (I TO V)		**5,867.0**	**6,053.3**

Equity and liabilities

In millions of Euro	Notes	As of December 31, 2014	2013
Issued Capital		86.9	86.7
Share Capital Premiums		2,042.0	2,030.5
Reserves:			
■ Legal Reserves		9.8	9.8
■ Regulated Reserves		40.7	40.7
■ Other Reserves		119.0	119.0
Retained Earnings		611.2	617.4
Net Income		107.0	200.3
Interim Dividends		-	-
Net Equity	**6.5**	**3,016.6**	**3,104.4**
Regulated Provisions	6.6	-	-
Total Shareholders' Equity (I)		**3,016.6**	**3,104.4**
Provisions for Risks		96.7	140.1
Provisions for Charges		4.3	3.4
Total Provisions for Risks and Charges (II)	**6.6**	**101.0**	**143.5**
Bonds		1,927.6	1,927.6
Bank Borrowings and Credit Lines		17.5	17.7
Other Financial Debts and Liabilities		-	-
Financial Debts towards Group Companies		705.5	776.3
Advances Received from Clients		-	-
Accounts Payables and Related Accounts		52.4	63.7
Tax and Social Security Liabilities		16.4	19.6
Payables on Assets		-	-
Other Liabilities		0.5	0.4
Total Liabilities (III)	**6.8**	**2,719.9**	**2,805.3**
Unrealized Exchange Gains (IV)		**29.5**	**-**
TOTAL EQUITY AND LIABILITIES (I TO IV)		**5,867.0**	**6,053.3**

2. STATEMENT OF INCOME

In millions of Euro	Notes	12 months 2014	2013
Sales of Goods: Rendering of Services		183.1	176.0
Revenues	6.10	**183.1**	**176.0**
Capitalized Expenses		-	-
Reversals of Provisions and Charges Transferred		5.3	11.0
Other Operating Income		0.1	-
Total Operating Income		**188.5**	**187.0**
General and Administrative Costs		(208.5)	(218.0)
Taxes		(2.2)	(4.0)
Wages and Salaries, Social Security Costs		(17.4)	(23.2)
Allowances for Provisions and Amortization			
■ on Fixed Assets		-	-
■ on Current Assets		-	-
■ for Risks and Charges		(2.6)	(3.7)
Other Operating Expenses		(0.9)	(0.8)
Total Operating Expenses		**(231.6)**	**(249.7)**
Income/(Loss) from Operating Activities (I)		**(43.1)**	**(62.7)**
Dividends and Interim Dividends		203.6	286.3
Other Financial Income related to Financial Assets and Marketable Securities		53.3	48.1
Other Financial Interests		10.7	25.0
Reversals of Provisions and Charges Transferred		147.4	67.9
Exchange Gains Realized		1.0	15.0
Net Gain on Disposal of Marketable Securities		-	-
Total Financial Income		**416.0**	**442.3**
Allowance for Provisions and Amortization		(168.0)	(100.9)
Interest Charges		(48.7)	(35.9)
Exchange Loss Realized		(17.1)	(7.3)
Net Loss on Disposal of Marketable Securities		-	-
Total Financial Expenses		**(233.8)**	**(144.0)**
Financial Result (II)	6.11	**182.2**	**298.3**
Current Income before Tax (I to II)		**139.1**	**235.6**
Extraordinary Income from Operating Activities		1.5	1.3
Extraordinary Income from Financing Activities		12.1	0.1
Reversals of Provisions and Charges Transferred		4.4	5.3
Total Extraordinary Income		**18.0**	**6.8**
Extraordinary Expenses from Operating Activities		-	(3.9)
Extraordinary Expenses from Financing Activities		(61.6)	(56.7)
Allowance for Extraordinary Provisions		(8.2)	-
Total Extraordinary Expenses		**(69.8)**	**(60.6)**
Extraordinary Result (III)	6.12	**(51.8)**	**(53.8)**
Profit Sharing (IV)		-	-
Income Tax (V)	6.13	**19.7**	**18.4**
Total Income		622.5	636.1
Total Expenses		(515.5)	(435.9)
NET INCOME (I TO V)		**107.0**	**200.3**

3. STATEMENT OF CASH FLOWS

	12 months	
In millions of Euro	2014	2013
Net Income	107.0	200.3
Amortization and Depreciation of Fixed Assets and Prepaid Expenses	-	-
Increase/(Decrease) in Provisions [1]	25.7	28.6
Net (Gains)/Losses on Disposal of Assets and Investments	(11.9)	1.4
Cash Flow from Operations	**120.8**	**230.3**
Changes in Working Capital	**99.8**	**(34.2)**
Net Cash Generated from/(Used in) Operating Activities	**220.6**	**196.1**
(Purchases)/Disposals of Intangible Assets	-	-
(Purchases)/Disposals of Tangible Assets	-	-
(Purchases)/Disposals of Financial Assets [2]	12.2	(275.4)
Net Cash Generated from/(Used in) Investing Activities	**12.2**	**(275.4)**
(Increase)/Decrease in Long-Term Receivables (subsidiaries loans) [3]	(1.7)	(114.5)
(Increase)/Decrease in treasury shares net of selling price	35.4	25.0
Increase/(Decrease) in Current Account Cash Pooling	(70.8)	(29.6)
Increase/(Decrease) in Short-Term Debts	(0.2)	2.2
Increase/(Decrease) in Long-Term Debts [4]	-	355.0
(Increase)/Decrease in Liquidity Contract	1.7	0.1
Capital Increase and Issuance Premium [5]	11.7	25.7
Dividends Paid [6]	(206.5)	(186.0)
Net Cash Generated from/(Used in) Financing Activities	**(230.4)**	**77.8**
Net Increase/(Decrease) in Cash and Cash Equivalents	**2.4**	**(1.5)**
Cash and Cash Equivalents as of January 1	1.3	2.8
CASH AND CASH EQUIVALENTS AS OF DECEMBER 31	**3.7**	**1.3**
Cash and Cash Equivalents	3.7	1.3
Bank Overdrafts	-	-
CASH AND CASH EQUIVALENTS AS OF DECEMBER 31	**3.7**	**1.3**

(1) In 2014, including mainly the net decrease of provisions for risks regarding performance shares (€45.1 million) and the allowance for depreciation of investments in Malaysia Marine and Heavy Engineering Holdings Berhad (MHB) for €68.0 million.
In 2013, including mainly the net decrease of provisions for risks regarding performance shares (€26.6 million) and the net increase of provision on investments of subsidiaries (€48.8 million).
(2) In 2014, including mainly the disposal of investments in Technip TPS.
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).
(3) In 2014, non-significant.
In 2013, including mainly a loan to a subsidiary (€264 million) and the full repayment of a loan by a subsidiary (€172.5 million)
(4) In 2014, no impact.
In 2013, long-term private placements issuance (€355 million).
(5) In 2014 and in 2013, capital increase linked to share subscription options exercised.
(6) In 2014, 2013 dividends for €206.5 million.
In 2013, 2012 dividends for €186.0 million.

4. NOTES ON ACCOUNTING PRINCIPLES

The accounting principles used by Technip in preparing the financial statements for financial year 2014 are in compliance with the *Nouveau Plan Comptable Général* fixed by the *règlement* ANC No.2014-03 validated by the *arrêté* of September 8, 2014 (French GAAP).

The statutory financial statements of Technip as of December 31, 2014, were approved by the Board of Directors on February 17, 2015.

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 fulfil 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 reinvoicing both management fees and other organizational costs, such as insurance and financing costs on guarantees.

- In May 2014, the Company paid a dividend of €1.85 per share, which represented a global distribution of €206.5 million.
- On April 30, 2014, Technip sold the totality of its fully owned subsidiary Technip TPS, specialized in engineering and construction for the industry, to the WSP Group.

  Based in Paris with offices located in Lyon, Toulouse and Abu Dhabi, Technip TPS brings together all the necessary skills to devise and realize outstanding private and public projects: structures, thermal engineering, electrical engineering, sub-trade, exterior fitting. The company holds an impressive achievement track-record most notably working on *Bibliothèque de France*, Renault's Technocentre and Airbus' A380 assembly plant.

  This sale is in line with Technip's strategy to focus on energy, its core business. It will also enable Technip TPS to better tackle its operational challenges and to carry on its growth as part of WSP, one of the world's leading professional services firms with a strong expertise in the building sector.
- During the 2014 financial year, the Company bought treasury shares in accordance with Shareholders' Meetings decisions on April 25, 2013 and on April 24, 2014, the period of purchase is limited to 18 months and the number of shares to be bought cannot exceed respectively 10% and 8% of issued capital, with a price ceiling amounting respectively to €115 and to €95. In 2014, the Company bought 610,569 shares at an average price of €68.4, total amount being €41.8 million.
- The number of treasury shares is 1,363,995 as of December 31, 2014. 95,700 of these shares are allocated to share purchase option plans and performance share plans granted to the Company employees; 1,072,295 shares are allocated to share purchase option plans and performance share plans granted to Group subsidiaries' employees; 196,000 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, 2013	13.1	12.8	5,341.5	5,367.4
Acquisitions (1)	-	-	836.0	836.0
Disposals (2)	-	-	(464.4)	(464.4)
Gross Value as of December 31, 2013	13.1	12.8	5,713.1	5,739.0
Acquisitions (3)	-	-	139.6	139.6
Disposals (4)	-	-	(164.6)	(164.6)
Gross Value as of December 31, 2014	13.1	12.8	5,688.1	5,714.0
Amortization and Depreciation as of January 1, 2013	(11.9)	(12.7)	(5.4)	(30.0)
Increase (5)	-	(0.1)	(50.2)	(50.3)
Reversals (6)	-	-	1.4	1.4
Amortization and Depreciation as of December 31, 2013	(11.9)	(12.8)	(54.2)	(78.9)
Increase	-	-	-	-
Reversals (7)	-	-	(68.0)	(68.0)
Amortization and Depreciation as of December 31, 2014	(11.9)	(12.8)	(122.2)	(146.9)
NET VALUE AS OF DECEMBER 31, 2014	**1.2**	**-**	**5,565.9**	**5,567.1**

(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) Increase in fixed assets mainly due to increases in treasury shares related to the liquidity contract (€57.9 million) and to the allocation to performance share plans and to share subscription option plans granted to subsidiaries employees (€41.8 million).

(4) Decrease in financial assets mainly due to decreases in treasury shares due to performance shares vested during the year (€66.6 million) and decreases in treasury shares on liquidity contract (€59.1 million).

(5) Allowance for provisions on investments for €50.2 million.

(6) Reversals of provisions on investments for €1.4 million.

(7) Allowance for depreciation on investments in Malaysia Marine and Heavy Engineering Holdings Berhad (MHB).

(b) Financial Assets

Financial assets break down as follows:

	As of December 31,			
	2014			2013
In millions of Euro	Gross Value	Provisions for Depreciation	Net Value	Net Value
Investments	4,003.6	(122.3)	3,881.3	3,949.6
Loans Related to Investments	1,591.4	-	1,591.4	1,589.7
Treasury Shares	92.8	-	92.8	118.8
Liquidity Contract	0.4	-	0.4	0.8
TOTAL FINANCIAL ASSETS	**5,688.2**	**(122.3)**	**5,565.9**	**5,658.9**

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 2014, Technip sold 886,325 treasury shares for performance shares vested to Group subsidiaries' employees. As of December 31, 2014, the balance of treasury shares (1,268,295 shares), as disclosed in financial assets, included shares bought from 2006 to 2014 and allocated to performance share plans granted to subsidiaries' employees, as well as 196,000 shares bought from the liquidity contract.

In 2013, Technip sold 1,095,420 treasury shares for performance shares vested to Group subsidiaries' employees. As of December 31, 2013, the balance of treasury shares (1,514,551 shares), as disclosed in financial assets, 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.

6.2. Current Assets

Current assets break down as follows:

	As of December 31,			
	2014			2013
In millions of Euro	Gross Value	Provisions for Depreciation	Net Value	Net Value
Trade Receivables	189.0	-	189.0	268.0
Other Receivables, Income Tax and VAT	61.8	-	61.8	45.6
Other Current Receivables, Sundry Debtors	4.3	-	4.3	12.1
Total Other Current Receivables	66.1	-	66.1	57.7
Current Accounts with subsidiaries	3.5	(3.4)	0.1	0.2

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,	
In millions of Euro	2014	2013
Gross Value as of January 1	14.8	21.6
Transfer to Financial Assets	-	-
Increase in Treasury shares	-	0.2
Decrease in Treasury Shares	(10.7)	(6.9)
Gross Value as of December 31	4.1	14.8
Depreciation as of January 1	-	-
Increase	-	-
Reversals	-	-
Depreciation as of December 31	-	-
NET VALUE AS OF DECEMBER 31	**4.1**	**14.8**

6.4. Accrued Assets and Redemption Premium

Accrued Assets (€19.0 million as of December 31, 2014)

They mostly include insurance costs.

Deferred Charges (€3.8 million as of December 31, 2014)

Deferred charges 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 45 days. Annual amortization amounted to €1.0 million in 2014, and net value was €1.0 million as of December 31, 2014;
- issuing fees (for a gross amount of €4.1 million) related to the €497.6 million convertible bond (OCEANE) issued on December 15, 2011, to be amortized over five years and 17 days. Annual amortization amounted to €0.8 million in 2014, and net value was €1.6 million as of December 31, 2014;
- renegotiation fees (for a gross amount of €1.3 million) related to an unutilized syndicated credit facility. Annual amortization amounted to €0.1 million in 2014, and net value was €1.2 million as of December 31, 2014.

Redemption Premium (€11.9 million as of December 31, 2014)

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 €1.7 million as of December 31, 2014;
- 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 €4.6 million as of December 31, 2014;
- 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, 2014;
- 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, 2014.
- 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 €1.2 million as of December 31, 2014;
- 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 €3.8 million as of December 31, 2014;
- 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 €0.3 million as of December 31, 2014.

6.5. Shareholders' Equity

(a) Changes in Shareholders' Equity

Changes in shareholders' equity are as follows:

In millions of Euro	As of December 31, 2014	2013
Shareholders' Equity as of January 1	3,104.4	3,064.5
Capital increase	0.2	0.5
Share Subscription Options Exercised	11.5	25.1
Net Income	107.0	200.3
Dividends	(206.5)	(186.0)
SHAREHOLDERS' EQUITY AS OF DECEMBER 31	**3,016.6**	**3,104.4**

(b) Changes in Issued Capital

Changes in issued capital are as follows:

	As of December 31, 2014	2013
Number of Shares as of January 1	113,680,256	113,040,513
Increase due to Share Subscription Options Exercised	265,061	639,743
NUMBER OF SHARES AS OF DECEMBER 31	**113,945,317**	**113,680,256**
Share Nominal Value (in Euro)	0.7625	0.7625
Common Stock as of December 31 (in millions of Euro)	86.9	86.7

The number of shares that carry double voting rights is 11,319,679 as of December 31, 2014.

(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:

	2005				
				Re-Granted	Re-Granted
Year of the Plan	Part 1	Part 2	Part 3	Parts 1 and 2	Parts 1, 2 and 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	-	-	-	-	-
Current Exercise Price (in Euro)	46.9	41.4	49.2	55.7	60.0

Regarding re-granting of June 2008, a total of 16,000 options were vested in the financial year.

	2009
Year of the Plan	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 (*)	477,392
Current Exercise Price (in Euro)	34.7

(*) From the vesting date, i.e. four years after the grant date.

	2010		
Year of the Plan	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 (*)	882,133	17,400	70,700
Current Exercise Price (in Euro)	51.5	63.2	72.2

(*) From the vesting date, i.e. four years after the grant date.

	2011		
Year of the Plan	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 (*)	330,700	43,600	47,507
Current Exercise Price (in Euro)	72.7	66.9	78.4

(*) From the vesting date, i.e. four years after the grant date.

	2012	
Year of the Plan	Part 2	Part 3
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 (*)	278,100	34,950
Current Exercise Price (in Euro)	74.6	87.1

(*) From the vesting date, i.e. four years after the grant date.

	2013	
Year of the Plan	Part 1	Part 2
Date of the Shareholders' Meeting	April 25, 2013	April 25, 2013
Date of the Board of Directors Meeting	June 14, 2013	January 10, 2014
Term	8 years	8 years
Remaining Number of Options to be Exercised (*)	321,500	16,520
Current Exercise Price (in Euro)	85.7	68.5

(*) From the vesting date, i.e. four years after the grant date.

No share subscription option plan was granted during the 2014 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 2012, 2013 and 2013 re-granting plans, the performance will be respectively measured over the 2012-2014, 2013-2015 and 2014-2016 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/ Performance Share Plans

Performance share plans have been implemented since 2007. Their characteristics are as follows:

	2009				
	Part 1	Part 1	Part 2	Part 3	Part 3
Year of the Plan	List 1	List 2	List 1	List 1	List 2
Date of the Shareholders' Meeting	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	February 16, 2010	February 16, 2010
Term	5 years	4 years	5 years	5 years	4 years
Number of Shares Granted	-	-	-	-	-

The performance shares related to the 2009 plan Part 3 List 2 were vested in 2014 for 53,100 shares and cancelled for 1,800 shares.

	2010					
	Part 1	Part 1	Part 2	Part 2	Part 3	Part 3
Year of the Plan	List 1	List 2	List 1	List 2	List 1	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	-	-	-	-	-	51,500

	2011					
	Part 1	Part 1	Part 2	Part 2	Part 3	Part 3
Year of the Plan	List 1	List 2	List 1	List 2	List 1	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	-	208,550	-	22,750	12,900	32,707

	2012			
	Part 1	Part 1	Part 2	Part 2
Year of the Plan	List 1	List 2	List 1	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	152,800	253,450	15,650	102,489

	2013			
	Part 1	Part 1	Part 2	Part 2
Year of the Plan	List 1	List 2	List 1	List 2
Date of the Shareholders' Meeting	April 25, 2013	April 25, 2013	April 25, 2013	April 25, 2013
Date of the Board of Directors Meeting	June 14, 2013	June 14, 2013	January 10, 2014	January 10, 2014
Term	5 years	4 years	5 years	4 years
Number of Shares Granted	170,250	310,950	11,050	60,400

	2014	
	Part 1	Part 1
Year of the Plan	List 1	List 2
Date of the Shareholders' Meeting	April 24, 2014	April 24, 2014
Date of the Board of Directors Meeting	December 10, 2014	December 10, 2014
Term	5 years	4 years
Number of Shares Granted	-	50,400

The 2014 performance share plan was granted in the financial year.

Performance shares were granted contingent upon performance conditions. For the 2011, 2012, 2013 and 2014 plans, the performance has been and will be respectively measured over the 2011-2013, 2012-2014, 2013-2015 and 2014-2016 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.

(d) Distributable Retained Earnings

As of December 31, 2014, distributable retained earnings of the parent company amounted to €2,879.2 million, including €2,042.0 million of share capital premiums.

6.6. Provisions

(a) Nature of Provisions for Risks and Charges

As of December 31, 2014, provisions for risks mostly include €1.1 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 €3.4 million and granted to subsidiaries' employees (booked as financial assets) for €83.4 million, and €4.3 million of provisions for retirement indemnities.

The provision for retirement indemnities is calculated according to the actuarial valuation method:

- discount rate: 1.85%;
- inflation rate: 1.80%;
- future salary increase above inflation rate: from 2.37% to 5.00%.

(b) Changes in Provisions

Changes in provisions are as follows:

In millions of Euro	As of January 1, 2014	Increase	Used Reversals	Unused Reversals	As of December 31, 2014
Regulated Provisions	-	-	-	-	-
Provisions for Risks	140.1	94.4	(137.8)	-	96.7
Provisions for Charges	3.4	1.2	(0.3)	-	4.3
Total Provisions in Liabilities	**143.5**	**95.6**	**(138.1)**	**-**	**101.0**
Provisions on Investments	54.3	68.0	-	-	122.3
Provisions on Loans	-	-	-	-	-
Provisions on Current Assets	0.1	-	-	-	0.1
Provisions on other Current Assets	0.1	-	-	-	0.1
Provisions on Current Accounts	3.0	1.1	(0.8)	-	3.3
Total Provisions on Assets	**57.5**	**69.1**	**(0.8)**	-	**125.8**
TOTAL PROVISIONS	**201.0**	**164.7**	**(138.9)**	**-**	**226.8**

The allowances for provisions for risks are mainly related to performance shares plans for €86.8 million and foreign exchange losses for €1.1 million.

The reversals of provisions for risks are mainly related to performance shares plans for €126.7 million, share option plans for €5.3 million and foreign exchange losses for €7.6 million.

(c) Breakdown of Provision Allowances and Reversals

Allowances and reversals of provisions break down as follows:

In millions of Euro	2014	2013
Operating Allowances	2.9	3.7
Financial Allowances (1)	153.5	98.3
Extraordinary Allowances	8.2	-
TOTAL PROVISION ALLOWANCES	**164.6**	**102.0**
Operating Reversals	5.6	5.3
Financial Reversals	133.2	67.9
Extraordinary Reversals	-	0.1
Total Provision Reversals	138.8	73.3
Operating Charges Transferred (2)	1.2	5.7
Extraordinary Charges Transferred (3)	4.4	5.2
TOTAL PROVISION REVERSALS AND CHARGES TRANSFERRED	**144.4**	**84.2**

(1) Excluding amortization of deferred charges and redemption premiums on bonds (€2.9 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 €147.1 million as of December 31, 2014, against €212.4 million as of December 31, 2013.

Accrued charges included in liabilities amount to €48.8 million as of December 31, 2014, and €61.1 million as of December 31, 2013.

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, 2014	Less than 1 Year	More than 1 Year
Financial Assets (1)	1,591.4	117.2	1,474.2
Trade Receivables	189.0	189.0	-
Receivables from Group Companies	0.1	0.1	-
Other Current Receivables	66.1	24.1	42.0
Accrued Assets	22.9	21.0	1.9
TOTAL ASSETS	**1,869.5**	**351.4**	**1,518.1**

(1) Excluding investments, treasury shares and liquidity contract.

In millions of Euro	As of December 31, 2014	Less than 1 year	Between 1 year and 5 year	More than 5 year
Bonds (1)	1,927.6	-	1,047.6	880.0
Bank Borrowings and Credit Lines	17.5	17.5	-	-
Financial Debts and Liabilities with Group Companies (2)	705.5	1.1	704.4	-
Accounts Payables	52.4	52.4	-	-
Tax and Social Security Liabilities	16.4	16.4	-	-
Other Liabilities	0.5	0.5	-	-
TOTAL LIABILITIES	**2,719.9**	**87.9**	**1,752.0**	**880.0**

(1) Bonds are described hereafter.
(2) Including current account with the Group cash pooling entity: €704.3 million.

The Company issued the following 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 notes 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 notes 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 notes 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 notes 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 notes 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 7, 2013, the Company received the private placement notes 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 16, 2013, the Company received the private placement notes 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 18, 2013, the Company received the private placement notes 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 notes 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.

Invoices due dates break down as follows:

In millions of Euro	As of December 31, 2014	Past Due Invoices	Not Past Due Invoices for less than 60 Days	Not Past Due Invoices for more than 60 Days
French Suppliers	2.0	-	2.0	-
Foreign Suppliers	1.5	-	1.5	-
Accruals	48.9	-	48.9	-
TOTAL ACCOUNTS PAYABLES	**52.4**	**-**	**52.4**	**-**

6.9. Trade Bills Included in Assets and Liabilities

The Company does not have any outstanding trade bills as of December 31, 2014 and 2013.

6.10. Revenues

Revenues amounted to €183.1 million in 2014 as compared to €176.0 million in 2013. In 2014, a total amount of €81.4 million of revenues was generated in France.

Revenues mostly consist in reinvoicing 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	2014	2013
Dividend Income	203.6	286.3
Allowance of Provisions on Investments	(68.0)	(48.7)
Allowance of Provisions on Current Accounts	(0.4)	0.1
Allowance of Provisions on Treasury Shares	-	-
Allowance of Provisions on Free Shares	42.8	23.8
Amortization of Redemption Premium Related to Bonds	(1.0)	(0.7)
(Allowance)/Reversal of Provision on Exchange Losses	6.6	(5.6)
Reversal of Provision on Loans	-	-
Interest Income from Loans	53.3	48.1
Financial Income from Stock Incentive Plan Recharge	10.7	25.0
Interest Expense on Bonds	(37.9)	(28.5)
Interest Expense on Credit Lines	(2.4)	(3.1)
Interest on Cash Pooling Current Accounts	(4.3)	(4.3)
Other Financial Expenses	(2.7)	-
Foreign Exchange (Loss)/Gain	(16.1)	7.8
Other	(2.0)	(1.9)
FINANCIAL RESULT	**182.2**	**298.3**

6.12. Extraordinary Result

Extraordinary result breaks down as follows:

In millions of Euro	2014	2013
Contributions and Gifts	-	0.1
Other Extraordinary Income	4.5	1.4
Allowance and Reversal of Provisions for Litigation	(8.2)	-
Reversal of Provisions	-	-
Gains and Losses on Sales of Investments	11.9	(1.4)
Result on Treasury Shares Sold	(60.0)	(53.9)
EXTRAORDINARY RESULT	**(51.8)**	**(53.8)**

In 2014, the extraordinary result is mainly attributable to the result on treasury shares sold related to performance shares vested for €60.0 million.

In 2013, the extraordinary result is mainly attributable to the result on treasury shares sold related to performance shares vested for €53.9 million.

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 2014 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 €6.2 million.

The impact on the 2014 income statement is a tax credit of €19.7 million that breaks down as follows:

- tax credit generated by the Company: €3.5 million;
- tax credit generated by the tax group: €16.2 million.

Temporary Differences: as of December 31, 2014, temporary differences are not material (€0.3 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	2014	2013
Financial Assets	5,563.0	5,587.8
Current Assets, Receivables from Group Companies	193.7	278.3
TOTAL ASSETS	**5,756.7**	**5,866.1**
Financial Debts (Group and Affiliates)	705.5	776.3
Current Liabilities	35.4	54.7
TOTAL LIABILITIES	**740.9**	**831.0**
Financial Charges	411.9	441.8
Financial Income	(170.1)	(91.2)

6.15. Off-Balance Sheet Commitments

Off-balance sheet commitments break down as follows:

	As of December 31,	
In millions of Euro	2014	2013
Parent Company Guarantees (1)	60,720.9	40,538.6
Commitments Given (2)	1,791.3	1,036.1
Commitments Received	-	-
Trade Bills Discounted before Maturity	-	-

(1) Parent company guarantees given by Technip 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	2014
2015	30.3
2016	30.3
2017	30.3
2018	30.3
2019 and beyond	67.9
TOTAL ADRIA TOWER LEASE (1)	**189.1**

(1) Provisional amount, as the rent amount varies according to the INSEE Construction cost index.

Technip did not enter into any leasing contracts in 2014 and 2013.

6.16. Financial Instruments

The Company held no financial instruments as of December 31, 2014.

6.17. Assets Used as Collateral

Technip 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 2014 and in 2013.

6.19. Board of Directors Compensation

In 2014, the amount of Director's fees paid by Technip to the members of the Board of Directors amounted to €518,134.14.

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 retains external and independent consultants (Hay and Towers Watson), 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 2014);
2. Industrial and engineering companies belonging to CAC 40 and SBF 80 (33 companies in 2014);
3. European oil companies (nine companies in 2014); and
4. US oil companies based in Texas (20 companies in 2014).

The compensation of the Chairman and Chief Executive Officer is composed of both a fixed and a variable portion.

For 2014, the aggregate amount of compensation paid by the Company to Thierry Pilenko amounted to €1,988,819.

In accordance with Article 23.2.2 of the AFEP-MEDEF Code, the fixed portion is reviewed at relatively long intervals since the base gross compensation (fixed portion) of Thierry Pilenko has remained unchanged since 2011.

The variable portion of compensation is based on the fixed compensation for the previous year. For 2014, 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 in part directly linked to Technip's strategy and cannot be detailed 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 2014: 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 diversity including 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 2014, which is capped at 200% of the target variable portion.

Based on the actual rate of achievement of objectives set for 2014 the variable compensation of Thierry Pilenko as mentioned hereabove has been calculated as follows. It was considered by the Nominations and Renumerations Committee on February 16, 2015 and set by the Board of Directors on February 17, 2015:

Weight	Nature	Scale	Effective realization	Weighted realization	Actual amounts
70%	**Financial objectives** (OIFRA, gross margin on order intake)	0 to 200%	100-110%	73.3%	€659,610
30%	**Individual objectives**	0 to 200%	90.7%	27.2%	€244,998
100%				100.5%	€904,608

The variable portion due to Thierry Pilenko for financial year 2014 is thus €904,608 and will be paid in 2015.

Furthermore, on December 10, 2014, the Board of Directors resolved, for long-term consideration, 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 2017 and 2018 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 2014, 2015 and 2016, 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 2014 amounted to €24,030.

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 that 45% of the reference income *i.e.* 21.4%. The ratio for Thierry Pilenko complies with this condition.

No share subscription or purchase options nor performance shares were granted to Thierry Pilenko over financial year 2014.

In financial year 2014, Thierry Pilenko exercised 80,000 share purchase options. 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.

In view of the proposal to renew the mandate of Thierry Pilenko, the Board of Directors, upon recommendation of the Nominations and Remunerations Committee, propose 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 would be the average of the gross annual compensation paid over the last three years, the payment of which would be paid on a monthly basis.

6.20. Auditors' Fees

The Auditors' fees break down as follows:

	Ernst & Young		PricewaterhouseCoopers	
In thousands of Euro	2014	2013	2014	2013
Auditing, Certification of Financial Statements, Examination of Company and Consolidated Financial Statements	846	761	750	639
Other Work and Services directly related to the Responsibilities of Statutory Auditors	572	364	375	440
TOTAL FEES	**1,418**	**1,125**	**1,125**	**1,079**

6.21. Litigation and Pending Investigations

As of the date hereof, there have been no governmental, legal or arbitral proceedings (including any such proceedings that are pending or threatened of which the Company is aware) over the past 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	Percentage of Ownership (%)	Share Capital	Reserves and Retained Earnings before Allocation*	Share Book Value (as of December 31, 2014) Gross Value	Net Value	Outstanding Loans and Advances	Bonds Posted and Guarantees Issued	Revenues 2014	Net Income 2014	Dividends Received in 2014
A. DETAILED INFORMATION CONCERNING INVESTMENTS FOR WHICH GROSS-VALUE EXCEEDS 1% OF TECHNIP'S SHARE CAPITAL											
Technip France	France	77.79%	22.7	14.3	42.7	42.7	-	1,003.1	2,907.9	34.6	46.9
Seal Engineering	France	100.00%	0.7	1.4	1.1	1.1	-	-	6.6	2.2	1.7
Technip Offshore International	France	100.00%	7.8	1,320.5	3,120.6	3,120.6	1,092.5	-	-	139.8	50.2
Technipnet	France	100.00%	2.0	(68.8)	52.0	2.0	-	-	19.9	(24.6)	-
Technip Corporate Services	France	77.97%	6.1	9.9	0.9	0.9	-	6.9	135.8	0.7	-
Cybernétix SAS	France	100.00%	5.0	2.9	30.9	30.9	-	0.3	16.2	(3.2)	-
Technip Italy	Italy	100.00%	68.0	81.6	22.1	22.1	-	165.1	488.5	94.9	80.0
TPL	Italy	100.00%	9.0	(1.9)	7.8	7.8	-	-	-	-	-
Technip Germany	Germany	100.00%	12.8	-	100.2	100.2	-	78.4	-	-	1.5
Technip Holding Benelux BV	Netherlands	100.00%	9.1	305.2	342.1	342.1	-	7.9	-	207.4	-
Technip Benelux NV	Belgium	100.00%	0.5	-	0.5	0.5	-	-	-	-	0.6
Technip International AG	Switzerland	99.94%	4.2	(3.6)	3.1	-	-	-	-	-	-
Engineering Re	Switzerland	100.00%	1.7	27.9	1.7	1.7	-	10.4	-	3.4	-
Front End Re SA	Luxembourg	100.00%	3.1	13.3	117.4	117.4	-	-	-	-	-
Technip Far East	Malaysia	100.00%	7.4	6.6	5.9	5.9	-	-	199.1	16.3	-
Asiaflex Products	Malaysia	33.00%	49.2	7.6	16.7	16.7	74.1	-	83.8	1.9	-
Technip Tianchen Chemical Engineering	China	100.00%	1.9	17.0	3.3	3.3	-	-	29.1	5.3	-
Technip RUS	Russia	99.96%	0.1	15.5	0.9	0.2	-	-	17.2	6.7	7.0
MHB	Malaysia	8.50%	NC**	NC**	125.0	57.0	-	-	NC**	NC**	1.6
B. OTHER SUBSIDIARIES AND INVESTMENTS											
Other Subsidiaries of which share capital is more than 50% owned by Technip											
French Subsidiaries		N/A	N/A	N/A	1.6	1.4	-	34.8	N/A	N/A	4.8
Foreign Subsidiaries		N/A	N/A	N/A	1.1	0.9	-	1.8	N/A	N/A	5.4
Other Investments of which share capital is owned from 10% to 50% by Technip											
French Investments		N/A	N/A	N/A	0.2	0.2	-	-	N/A	N/A	0.6
Foreign Investments		N/A	N/A	N/A	1.1	1.1	-	168.9	N/A	N/A	1.4
TOTAL		**N/A**	**N/A**	**N/A**	**3,998.9**	**3,876.7**	**1,166.6**	**1,477.6**	**N/A**	**N/A**	**201.7**

* Excluding the net result from the financial year.

** Based on yearly financial statements audited as of September 30, 2014.

8. SUBSEQUENT EVENTS

There has been no significant event since December 31, 2014.

20.3. Dividend Distribution Policy

The Combined Shareholders' Meeting of April 24, 2014 approved the payment to shareholders of a dividend of €1.85 per share for the financial year ended December 31, 2013, which represented a total distribution of €206,536,072 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
2011	€1.58	€1.58
2012	€1.68	€1.68
2013	€1.85	€1.85

Based on the Group's robust balance sheet for 2014 and its record backlog for 2015, the Board of Directors decided to maintain its progressive dividend policy and resolved to propose for approval at the Combined Shareholders' Meeting to be held on April 23, 2015, an increase in the 2014 dividend of 8%, equal to a total dividend of €2 per share, and the option of a scrip alternative benefiting from a 10% discount.

Whether in shares or in cash, the payment will be made on May 28, 2015.

The payment of dividends, managed by Société Générale, will be made to financial intermediaries empowered to pay such dividends to the relevant shareholders.

Deutsche Bank will manage the payment of dividends to ADR (American Depositary Receipt) holders.

Under French law, dividends that are not claimed within five years of the date of payment will 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 past 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 the last fiscal year for which verified financial statements were published *i.e.* since the close of the last statutory financial statements for the financial year ended December 31, 2014.

21 Additional Information

21.1. Share Capital

21.1.1. AMOUNT OF SHARE CAPITAL

As of January 31, 2014 and January 31, 2015, Technip's share capital amounted to €86,683,025.20 divided into 113,682,656 shares and €86,885,591.71 divided into 113,948,317 shares, respectively.

21.1.2. SHARES NOT REPRESENTING CAPITAL

None.

21.1.3. TREASURY SHARES AND SHARE REPURCHASE PROGRAMS

During financial year 2014, 823,060 shares were purchased and 793,560 were sold under the terms and conditions of the Liquidity Contract with transaction fees totaling €100,000 (excluding tax).

During financial year 2014, 610,569 shares were repurchased under the Share Buyback Contract with a brokerage fee amounting to €25,075.09 excluding tax.

In addition, during the same financial year, 1,050,825 shares were transferred as shares granted during the year, in relation to, either the Performance Shares Plans, or to the Share Purchase Plan. No transaction fee has been recorded for these operations.

Use of Treasury Shares

As of January 31, 2015, the Company held 1,344,295 treasury shares. These treasury shares had a par value of €0.7625 each, representing an aggregate value of €95,516,824.94 or 0.01% 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 January 31, 2015:

   - 51,500 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;
   - 277,157 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;
   - 524,389 shares were granted under the 2012 Performance Share Plan by the Board of Directors at its meetings held on June 15 and December 12, 2012;
   - 552,650 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; and
   - 50,040 shares were granted under the 2014 Performance Share Plan by the Board of Directors at its meeting held on December 10, 2014.

   Pursuant to a contract dated January 17, 2014, the Company engaged SG Securities (Paris) SAS to execute a Share Buyback Contract ended 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-AFEI) Code of Conduct approved by the French Financial Market Authority *(Autorité des marchés financiers)* in its decisions 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 2014, 823,060 shares were purchased and 793,560 shares were sold pursuant to the terms and conditions of the Liquidity Contract.

   Pursuant to this Liquidity Contract, as of December 31, 2014, the following assets were recorded in the liquidity account:

   - 196,000 shares; and
   - €357,380.80.

Renewal of the Company's Share Repurchase Program

A proposal will be submitted to the Shareholders' General Meeting of April 23, 2015 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 23, 2015 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 €85 per share (excluding charges).

Under the terms and conditions of the authorization to be proposed to the Shareholders' General Meeting of April 23, 2015, and on the basis of the aggregate number of outstanding shares (*i.e.,* 113,945,317 shares) and treasury shares as of January 31, 2015 (*i.e.,* 1,363,995 shares), Technip may repurchase a maximum of 7,751,630 shares, representing a maximum theoretical investment of €765,553,010, assuming a maximum share purchase price of €85.

21.1.4. POTENTIAL CAPITAL

Summary of Authorizations Granted by the Shareholders' General Meeting, which Expired or were in Effect in Financial Year 2014

The table below summarizes the resolutions approved by the Shareholders' General Meetings authorizing the Board of Directors to increase or reduce the share capital, and shows the Board's use of said authorizations in financial year 2014:

Purpose	Validity	Limit	Use during the 2014 financial year
Authorization to reduce share capital by canceling all or part of the shares previously repurchased	Extraordinary Shareholders' Meeting of April 29, 2010 12th 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 26, 2012 8th 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 9th 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 10th 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 11th 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 12th resolution Term: 24 months - Expiry: April 25, 2014	0.5% of share capital	None
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 13th 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 14th resolution Term: 24 months - Expiry: April 25, 2014	0.3% of share capital	None
Share capital increase in favor of employees adhering to a company savings plan	Extraordinary Shareholders' Meeting of April 26, 2012 16th 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 13th resolution Term: 18 months - Expiry: October 25, 2014 (**)	10% of share capital	1.20%
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 14th resolution Term: 24 months - Expiry: April 25, 2015 (**)	0.5% of share capital	0.37%
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 15th resolution Term: 24 months - Expiry: April 25, 2015 (**)	0.5% of share capital toward the ceiling of the 14th resolution	0.12%
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 16th resolution Term: 24 months - Expiry: April 25, 2015 (**)	0.3% of share capital	0.12%
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 17th resolution Term: 24 months - Expiry: April 25, 2015 (**)	0.3% of share capital toward the ceiling of the 16th resolution	0.17%

Purpose	Validity	Limit	Use during the 2014 financial year
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 18th resolution Term: 26 months - Expiry: June 25, 2015 (**)	1% of share capital	None
Authorization to repurchase Company shares	Ordinary Shareholders' Meeting of April 24, 2014 6th resolution Term: 18 months - Expiry: October 24, 2015	8% of share capital	0.69%
Share capital increase with preferential subscription rights	Extraordinary Shareholders' Meeting of April 24, 2014 7th resolution Term: 26 months - Expiry: June 24, 2016	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 24, 2014 8th resolution Term: 26 months - Expiry: June 24, 2016	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 24, 2014 9th resolution Term: 26 months - Expiry: June 24, 2016	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 24, 2014 10th resolution Term: 24 months - Expiry: April 24, 2016	0.3% of share capital	0.02%
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 24, 2014 11th resolution Term: 24 months - Expiry: April 24, 2016	0.3% of share capital toward the ceiling of the 10th resolution	0.02%
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 24, 2014 12Th resolution Term: 24 months - Expiry: April 24, 2016	0.5% 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 24, 2014 13th resolution Term: 24 months - Expiry: April 24, 2016	0.5% of share capital toward the ceiling of the 12th resolution	None
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 24, 2014 14th resolution Term: 26 months - Expiry: June 24, 2016	1% of share capital	None
Authorization granted to the Board of Directors to increase the share capital without preferential subscription rights for the shareholders, the issued securities being reserved for categories of beneficiaries as part of the implementation of an employee share program	Extraordinary Shareholders' Meeting of April 24, 2014 15th resolution Term: 18 months - Expiry: October 24, 2015	0.5% of share capital	None

* The 8th, 9th and 10th resolutions of the Combined Shareholders' Meeting on April 26, 2012 were invalidated at the end of the Combined Shareholders' Meeting of April 24, 2014, which renewed them with the 7th, 8th and 9th resolutions.

** The 13th, 14th, 15th, 16th, 17th and 18th resolutions of the Combined Shareholders' Meeting on April 25, 2013 were invalidated at the end of the Combined Shareholders' Meeting of April 24, 2014, which renewed them with the 6th, 10th, 11th, 12th, 13th and 14th resolutions.

As a number of these authorizations are due to expire, the Combined Shareholders' General Meeting of April 23, 2015, 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 €85 in an amount up to 8% of the share capital (thirteenth resolution);
- to reduce the share capital, for a five-year period, by canceling shares that have previously been repurchased up to a limit of 10% of the share capital (fourteenth resolution) for periods of 24 months;
- to increase the share capital, on one or more occasions over a 26-month period, in favor of members of company savings plan of the Company and of the French and foreign companies that are related to the Company in accordance with Article L. 3344-1 of the French Labor Code, in an amount of up to 1.25% of share capital as of the date the said authorization is used (fifteenth 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 the share capital as of the date the said authorization is used, the issued securities being reserved for categories of beneficiaries as part of the implementation of an employee share program (sixteenth 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/ canceled	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)
02/14/2012	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
02/18/2014	Exercise of share subscription options	639,743	487,804.04	-	86,681,195.20	113,680,256	0.7625

Record of Changes in Share Capital during financial year 2014

At the Board of Directors meeting held on February 17, 2015, it was recorded that the Share Capital as of December 31, 2014 amounted to €86,883,304.21, divided into 113,945,317 shares, representing 264,061 exercises of share subscription options, for a nominal amount of €202,109.01 and a par value of the shares of €0.7625.

Changes in Share Capital from January 1, 2015 until January 31, 2015

From January 1, until January 31, 2015, no change in share capital has been recorded by the Board of Directors.

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 canceled 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 a.m. (Paris time) on the second 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.

22 Major Contracts

As of December 31, 2014, 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. Açuflex Financing

Flexibras Tubos Flexiveis, one of the Group's Brazilian subsidiaries, entered into a loan agreement with BNDES (*Banco Nacional de Desenvolvimento Econômico e Social*) 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 harbour (Brazil). For a description of this financing, please refer to Section 4.6 of this Reference Document.

22.7. BNDES *(Banco Nacional de Desenvolvimento Econômico e Social)* Facilities

As of December 31, 2014, Flexibras Tubos Flexiveis, had nine separate loans for a total amount of BRL500 million to sustain the pre-financing of its export operations. Each facility was entered into on behalf of BNDES with seven different commercial banks. For a description of these loans, please refer Section 4.6 of this Reference Document.

22.8. Export Credit Notes (NCE – *Nota de Crédito à Exportação*)

As of December 31, 2014, Flexibras Tubos Flexiveis, had six separate NCE loans for a total amount of BRL572 million. The loans were entered into with five different commercial banks. For a description of these loans, please refer Section 4.6 of this Reference Document.

22.9. Loans under Innova Petro Program

As of December 31, 2014, Flexibras Tubos Flexiveis, had two loans for a total amount of BRL25.1 million to sustain the financing of the development of innovative processes and products. For a description of these loans, please refer Section 4.6 of this Reference Document.

22.10. Global Industries Bond

As of December 31, 2014, 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.

22.11. Revolving Credit Agreement and Bilateral Facilities

On July 21, 2011, Technip entered into a €1 billion revolving syndicated agreement, which is described, along with four bilateral facility agreements that were signed with different banks in 2014 for a total amount of €340 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 the information obtained from the sources referred to in this Reference Document has been accurately reproduced. No facts, which would render the reproduced information, in any significant way, inaccurate or misleading, have been omitted.

24 Publicly Available Documents

Throughout the period of validity of this Reference Document, the following documents, and all other documents required by law, may be consulted at the Company's registered office, 89, avenue de la Grande Armée – 75116 Paris (France) in accordance with the applicable laws and regulations:

- 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 of the Company and its subsidiaries relating to the preceding three financial years; and
- assessments and statements made by an expert at the request of Technip, part of which are included or discussed in this Reference Document.

PERSONS RESPONSIBLE FOR THE RELEASE OF FINANCIAL INFORMATION

Investor and Analyst Relations
CS 51650 – 89, avenue de la Grande Armée – 75773 Paris Cedex 16 – France
Fax: +33 (0)1 47 78 67 58
E-mail: investor-relations@technip.com

Kimberly Stewart
Phone: +33 (0)1 47 78 66 74
E-mail: kstewart@technip.com

Aurélia Baudey-Vignaud
Phone: +33 (0)1 47 78 43 81
E-mail: abaudeyvignaud@technip.com

Michèle Schanté
Phone: +33 (0)1 47 78 67 32
E-mail: mschante@technip.com

Individual Shareholders Relations
CS 51650 – 89, avenue de la Grande Armée – 75773 Paris Cedex 16 – France
Fax: +33 (0)1 47 78 36 00
E-mail: actionnaires@technip.com

Stella Fumey
Phone: +33 (0)1 47 78 66 75
E-mail: sfumey@technip.com

25 Information on Shareholdings

See Section 7.2 of this Reference Document and the List of Subsidiaries and Investments, as detailed in Note 7 to the Company's Statutory Financial Statements for the financial year ended December 31, 2014, which is included in Section 20.2 of this Reference Document.

A

Annex: Offices Held by Board Members, Current as of December 31, 2014 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(*) (USA)	Member of the Supervisory Board of Peugeot S.A.(*) 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(*) Chairman of Advisory Committee of AT Kearney Member of the European Advisory Committee of JPMorgan Chase Chairman of the Board of Nordzee Helikopters Vlaanderen NHV (Belgium) Chairman of TII Strategies	Director of Rhodia(*) Director of British Energy Group p.l.c. (United Kingdom) Non Executive Director of Energy Solutions(*) (USA)
Leticia	COSTA	Board Member of Marcopolo S.A.(*) (Brazil) Board Member of Localiza Rent Car S.A.(*) (Brazil) Director of Insper (Brazil) Member of the Audit Committee of Votorantim Metais S.A. and of Votorantim Cimentos S.A. (Brazil)	Vice-President of Booz & Company do Brasil (Brazil) Member of the Audit Committee of Votorantim Industrial (Brazil) Board Member of Gafisa S.A.(*) (Brazil) Board Member of Sadia S.A.(*) (Brazil)
Marie-Ange	DEBON	Mandates in various companies in Suez Environnement(*) Group: Lydec (Morocco), United Water Inc. (USA), Sembsita Australia Pty Ltd (Australia), Degrémont SAS Director of GrDF Director of Hisusa (Spain) Director of Groupama	-
C. Maury	DEVINE	Director of FMC Technologies(*) (USA) Director of John Bean Technologies(*) (USA) Member of independent Nomination Committee of Petroleum Geo Services(*) (Norway)	Vice-Chairman of the Board of Det Norske Veritas (Norway) Director of Aquatic Energy LLC (USA)
Manisha	GIROTRA	Director and Chief Executive Officer of Moelis & Company India Private Limited (India) Director of Novartis India (India) Director of Mindtree (India) Director of Ashok Leyland (India) Trustee of Neurology Foundation & Trust (India)	Director and Chief Executive Officer of UBS AG (India) Director of KPIT Cummins (India)
Alexandra Bech	GJØRV	Member of the Board of Advokatfirmaet Hjort DA (Norway) General Manager of Sarepta Energi (*Norway*)	Chairwoman of Eidsiva Energi AS(*) (Norway) Board Member of Norske Skog AS(*) (Norway) Vice-Chairwoman of the Board of Norwegian Broad Casting (NRK) (Norway) Deputy Board Member of Anobe AS (Norway)
Gérard	HAUSER	Director of Delachaux President of the Supervisory Committee of Stromboli Director of Mecaplast (Monaco)	Director of Alstom(*) Director of Ipsen(*) Director of Faurecia(*) Director of Nexans(*)
John	O'LEARY	Board Member and Chairman of the Audit Committee of Vantage Drilling Company(*) (USA) 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 (Belgium), Carrefour Italia (Italy), Carrefour Banque, Presicarre (Taiwan), Carrefour Sabanci(*) (Turkey), Atacadão SA (Brazil), Adana Gayrimenkul Gelistirme ve Isletme Anonim Sirteki (Turkey) Director acting on behalf of a legal entity within Carrefour(*) Group companies: Centros Comerciales Carrefour (Spain) and GS SpA (Italy) Member of the Supervisory Board of Carrefour Nederland BV (Netherlands)	Director of Imerys Director of Philips Hollande (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 acting on behalf of 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, 2014

Financial results of the Company for the last five years as of December 31, 2014

In millions of Euro	December 31, 2010	2011	2012	2013	2014
I. YEAR END FINANCIAL POSITION					
A) Called up Capital	84.1	84.6	86.2	86.7	86.9
B) Outstanding Shares [(a)]	110,249,352	110,987,758	113,040,513	113,680,256	113,945,317
C) Convertible Bonds	6,618,531	11,796,986	11,796,986	11,796,986	11,796,986
II. OVERALL OPERATING RESULT					
A) Net Revenues	137.4	156.9	151.3	176.0	183.1
B) Income before Tax, Depreciation and Amortization	13.5	342.5	451.0	213.1	115.9
C) Income Tax Expense/(Profit)	(39.0)	(44.0)	(37.6)	(18.4)	(19.7)
D) Net Income	275.9	357.7	472.5	200.3	107.0
E) Dividends Paid	171.8	172.6	186.0	206.5	225.2 [(b)]
III. OPERATING INCOME PER SHARE (in Euro)					
A) Income before Depreciation and Amortization	0.5	3.5	4.3	2.0	1.2
B) Net Income	2.5	3.2	4.2	1.8	0.9
C) Dividends Paid	1.45	1.58	1.68	1.85	2.00 [(b)]
IV. STAFF					
A) Number of Employees	8	8	7	7	7
B) Wages and Salaries	10.2	15.8	14.2	23.2	9.5

(a) Does not include the exercise of options arising from the current share purchase or share subscription option plans. Includes 1,363,995 treasury shares as of December 31, 2014.

(b) This amount corresponds to the dividend proposed by the Board of Directors at the Shareholders' General Meeting: €2.00 per share based on outstanding shares excluding treasury shares held as of December 31, 2014.

C

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)

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, 2014, 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 16, 2015, and approved by the Board of Directors of the Company on February 17, 2015.

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. Composition of the Board of Directors and Conditions for the Preparation and Organization of its Work

1.1. COMPOSITION OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

As of December 31, 2014, the Board of Directors comprised 12 members. It does not include any directors representing employees or employee shareholders. 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 in 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 of Directors 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 17, 2014, 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 16, 2015.

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, 2014.

As of December 31, 2014, 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, 2014, the members of the Board of Directors were as follows:

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 57 – 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 ended December 31, 2014 to be held on April 23, 2015.
Gérard Hauser Corporate Director 89, avenue de la Grande Armée – 75116 Paris 73 – 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 IFP Énergies nouvelles 1 et 4, avenue de Bois-Préau – 92852 Rueil-Malmaison Cedex 65 – 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 ended December 31, 2014 to be held on April 23, 2015.
Pascal Colombani Chairman of the Board of Directors of Valeo 43, rue Bayen – 75017 Paris 69 – 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 ended December 31, 2014 to be held on April 23, 2015.
Leticia Costa Dean Graduate Programs at Insper Rua Quatà, 300 – 04546-042 – São Paulo – SP – Brazil 54 – 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 ended December 31, 2014 to be held on April 23, 2015.
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 49 – 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 ended December 31, 2014 to be held on April 23, 2015.
Manisha Girotra Chief Executive Officer of Moelis & Company India Private Limited Suite 3103 – Hotel Four Seasons Dr E. Moses Road, Worli – Mumbai 400018 – India 45 – 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 – NO-0180 – Oslo – Norway 49 – 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 38396 – Dubai Industrial Park – Dubai – United Arab Emirates 59 – 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 ended December 31, 2014 to be held on April 23, 2015.
Joseph Rinaldi Partner in Davis Polk & Wardwell Davis Polk & Wardwell – 450 Lexington Avenue – New York NY 10017 – USA 57 – Australian, Italian and American	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 33, avenue Emile Zola – TSA 55 555 – 92649 Boulogne-Billancourt 58 – 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, 2014.

In order to assist it in fulfilling its duties and responsibilities, the Board of Directors has established four specialized 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, 2014, the four Committees members were as follows:

Audit Committee

Member	Title	Date of first appointment
Pierre-Jean Sivignon	Chairman (*)	April 25, 2013
Pascal Colombani	Member	October 23, 2012
Leticia Costa	Member	April 25, 2013
Marie-Ange Debon	Member	October 26, 2010
Alexandra Bech Gjørv	Member	October 23, 2012

(*) Chairman since April 24, 2014.

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 of the AFEP-MEDEF Code, 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
C. Maury Devine	Chairwoman (*)	April 25, 2013
Olivier Appert	Member	December 9, 2008
Alexandra Bech Gjørv	Member	April 25, 2013
Joseph Rinaldi	Member	April 30, 2009

(*) Chairwoman since April 24, 2014.

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 ended December 31, 2014 to be held on April 23, 2015.

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 the Reference Document of the Company for the year ended December 31, 2014. 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 ended December 31, 2014 to be held on April 23, 2015.

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, 2014, the Board of Directors had appointed no Executive Vice President (*Directeur Général Délégué*).

1.2. COMPANY SHARES HELD BY THE DIRECTORS

Pursuant to Article 14 of the Articles of Association effective as of December 31, 2014, each director is required to hold at least 400 Company shares in registered form. In accordance with Article 20 of the AFEP-MEDEF Code, each director should be a shareholder personally and hold a fairly significant number of shares in relation to the directors' fees.

As of December 31, 2014, 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 12/31/2014
Thierry Pilenko	163,500
Olivier Appert	976
Pascal Colombani	400
Leticia Costa	400
Marie-Ange Debon	400
C. Maury Devine	400
Manisha Girotra	400
Alexandra Bech Gjørv	400
Gérard Hauser	2,000
John O'Leary	800
Joseph Rinaldi	400
Pierre-Jean Sivignon	400
TOTAL	**170,476**

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, 2014.

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, 2014, the Board of Directors was assisted by four Committees: the Audit Committee, the Nominations and Remunerations Committee, the Strategic Committee and the Ethics and Governance Committee.

The Board of Directors' 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 2014 financial year, the Board met 10 times. The attendance rate for all directors was 96%.

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 2014, 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 2013, the first half-year consolidated financial statements for financial year 2014, 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 2014 interim financial information upon the Audit Committee's recommendation,
  - review of the 2015 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,
  - 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, and
  - review and validation of the non-binding opinion on the components of the compensation of the Chairman and Chief Excutive Officer ("say on pay") to be presented to the shareholders;
- Decisions, in particular regarding:
  - the determination of the Chairman and Chief Executive Officer's compensation and of its objectives for 2014,
  - the composition of the specialized committees of the Board of Directors,
  - the list of directors qualified as "independent directors",
  - the distribution of directors' fees,
  - the implementation of the authorization of 2014 Annual General Meeting relating to repurchase of shares,
  - several acquisition and disposal projects in different business sectors including process technology and subsea,
  - the grant of one tranche of options, the grant of two tranches 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.

At the end of each Board meeting, directors only, including the Chairman and Chief Executive Officer meet (executive sessions). In all cases when debates personnally relate to the Chairman and Chief Executive Officer (assessment of his performance, set up of his compensation, renewal of his mandate), directors met without the presence of the latter.

(b) Assessment of the Board of Directors

In accordance with the provisions of its internal rules and with the provisions of the AFEP-MEDEF Code (Article 10), the Board of Directors formally evaluates, at intervals of no more than three years, its operating policies, in order to:

- review its operating methods;
- verify that important questions are appropriately prepared and discussed;
- assess the contribution of each director to the Board's work through his or her expertise and involvement in discussions.

The purpose of this evaluation is to ensure adherence to the Board's operating policies and to identify ways to improve its performance and effectiveness.

The last in-dept evaluation dated back in 2011, such a new evaluation was conducted in 2014 with the assistance of CT Partners, an external consultant.

This in-dept evaluation concluded on July 22, 2014, to a globally positive appreciation while identifying some improvement issues.

The report however proposes some improvement issues among which the following:

- the formalizing of the induction program for new directors and for directors during their mandates;
- a specific focus on the follow up of strategic issues;
- the composition of Committees taking more into account the operational background of their members.

(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 and information 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.

Furthermore, the Chairman has exchanges, on a regular basis and when necessary, with directors between meetings of the Board.

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 him 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 2014, a training session to familiarize directors with the revenue recognition methods of Technip during 2014 was organized.

(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 (Article 23 of the Articles of Association)

Convening and holding of Shareholders' Meetings – Deliberations

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.

It is to be noted that directors are yearly invited to assist to the General Meeting. Most of the time, they are effectively present since, with half of the directors residing outside of France, the Board of Directors regarding the financial information of the first quarter holds two days before the General Meeting and the General Meeting is generally immediately followed by a meeting of the Board of Directors.

Participation

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 second 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 (Hay and Towers Watson), 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 2014);
2. Industrial and engineering companies belonging to CAC 40 and SBF 80 (33 companies in 2014);
3. European oil companies (nine companies in 2014); and
4. US oil companies based in Texas (20 companies in 2014).

The compensation of the Chairman and Chief Executive Officer is composed of both a fixed and a variable portion.

In accordance with Article 23.2.2 of the AFEP-MEDEF Code, the fixed portion is reviewed at relatively long intervals since the base gross compensation (fixed portion) of Thierry Pilenko has remained unchanged since 2011.

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 2014, 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 in part directly linked to Technip's strategy and cannot be detailed 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 2014: 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 for the Group budgeted for 2014: 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 (Health/Safety/Environment) 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 2014, final variable share, which is capped at 200% of the target variable portion.

Based on the actual rate of achievement of objectives set for 2014 the variable compensation of Thierry Pilenko as mentioned hereabove has been calculated as follows. It was considered by the Nominations and Remunerations Committee on February 16, 2015 and set by the Board of Directors on February 17, 2015:

Weight	Nature	Scale	Effective realization	Weighted realization
70%	**Financial objectives** (OIFRA, gross margin on order intake)	0 to 200%	100-110%	73.3%
30%	**Individual objectives**	0 to 200%	90.7%	27.2%
100%				100.5%

The variable portion due to Thierry Pilenko for the financial year 2014 will be paid in 2015.

Furthermore, on December 10, 2014, the Board of Directors resolved for long-term consideration 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 2017 and 2018 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 2014, 2015 and 2016, of satisfactory performance in relation to Health/Safety/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 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 that 45% of the reference income *i.e.* 21.4%. Thierry Pilenko complies with this condition.

No share subscription options nor performance shares were granted to Thierry Pilenko over financial year 2014.

Thierry Pilenko exercised 80,000 share subscription options during financial year 2014. 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 options, performance shares 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, 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.

For further details regarding commitments concluded with Thierry Pilenko, please refer to Section 19 of the Reference Document of the Company for the year ended December 31, 2014.

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 2014 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 to 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, 2014: 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, 2014 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 Group Chief Financial Officer (Group 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") as updated in May 2013 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 activities, information and communication and internal control monitoring.

4.2.1. Control environment

The Board of Directors

The Company'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. Furthermore, Technip reinforced its existing control mecanisms with the creation in 2010 of the Senior Independent Director's function whose missions are detailed in Section 16.1.1. of the Reference Document of the Company for financial year ended December 31, 2014.

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 and the efficiency 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 Group 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 2014 financial year and had an attendance rate of 93% 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 is invited to 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 seven times during financial year 2014. 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 2014. The attendance rate was 100% for all members.

The Ethics and Governance Committee

The Ethics and Governance 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 twice during financial year 2014. The attendance rate was 88%.

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 Ethics and Compliance Committee: responsible for assisting the Chairman and Chief Executive Officer for ensuring proper adherence to the Group's Ethics Charter and anti-corruption and other compliance policies and procedures; and
- the Disclosure Committee: responsible for assisting the Chairman and Chief Executive Officer and the Group 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 Chief 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 for the year ended December 31, 2014) 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 Group Chief Financial Officer (Group 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 President and Chief Operating Officer assisted by the President and Chief Operating Officer Onshore/Offshore and the President and Chief Operating Officer 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 February 1, 2015, the Onshore-Offshore President and the Subsea President directly report to the Chairman and Chief Executive Officer.
- The Group 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 Chief Compliance Officer reports to the Group General Counsel and the Company's Board of Directors through the Ethics and Governance Committee. The Group Chief Compliance Officer makes regular reports and recommendations concerning compliance to the Group General Counsel, Chairman and Chief Executive Officer and the Technip Ethics and Governance Committee. The Group Chief Compliance Officer may raise certain issues to the Chairman of the Technip Ethics and Governance Committee. Finally, the Group Chief Compliance Officer 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 CEO.

- The Quality Health and Safety (QHSE) Department, the Global Engineering, Procurement and Construction Department and the Group Business Cooperation Department report to the President and Chief Operating Officer.
- The Finance and Control Division, under the supervision of the Group Chief Financial Officer (Group 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 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 a 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	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(1)	Abu Dhabi	Subsea Onshore/Offshore
Process Technologies	Houston	Onshore/Offshore
Subsea Division	Paris	Subsea

(1) As of February 1, 2015, the Onshore-Offshore activities of the Middle East are integrated in Region B and the Subsea activities are integrated in Asia Pacific.

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 President and Chief Operating Officer Subsea 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 activities are at all levels, in Regions, projects and within all Corporate functions throughout the Group.

In particular, these control activities 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 prepares and distributes 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 and Organization, Finance, Human Resources, Permanent Procedures and Policies, Corporate Bodies, Ethics and 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 the 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 in specialized areas that help in the implementation of the GOPS in the day-to-day business.

- 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.

- According to 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 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, implementing modifications or even cancelation 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, operative and efficient 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 2014.

Management

The Group's Management is responsible for the implementation and evaluation of internal control procedures. Management, at different levels of the decision-making process, maintains internal control documentation in relation with its activities. In addition, management is responsible for ensuring that controls operate effectively and for monitoring the assessment of their operating effectiveness on a self-assessment basis. The self-assessment is performed through questionnaires for the control environment and through testing of controls described in risk and control matrices for business transactions and IT-related controls (Information Technologies).

As part of the annual evaluation process, each Regions' 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 plan. In addition, each signatory is required to confirm at the end of the third quarter that the remediation 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 2014). 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: Group and Regions.

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 aims at supporting Regions and Corporate Functions to 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 Controlling Department and presented to the Group and Region's management.

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 a 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 Group CFO, production of financial information is organized and carried out by the Group Controlling Department and relies on data provided by the different Business Finance 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 Region CFOs, 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.

D 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 Directors 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, 2014

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, 2014.

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;
- 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 5, 2015

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit		Ernst & Young et Autres
Édouard Sattler	Édouard Demarcq	Nour-Eddine Zanouda

E

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

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

1. Stakeholder Engagement and Materiality

1.1. TECHNIP'S SUSTAINABILITY APPROACH

1.1.1. Context

GRI G4-56

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 its clients, exposes Technip to technological, strategic and reputational risks, which are particularly affected by the context and the environment in which the Company operates and by applicable laws and regulations in force. Consequently, the balanced management of risks and opportunities of a financial, industrial, environmental, geopolitical and business nature is a key element of the social, economic and operational development and performance of the Group.

In this context, the Group wishes to go further and progressively integrate more social and environmental indicators in how it runs and takes business decisions in line with its Sustainable Development Policy.

Technip's vision is to create long-term added value and to foster profitable and sustainable growth pursuant to the Group's values *(Doing the right thing, Trusting the team, Encouraging a fair return for all* and *Building the future).* The Group has used the Global Reporting Initiative (GRI) G4 guidelines as a tangible step towards its commitment to report on stakeholder engagement and on what really matters. This report also complies with Article L. 225-102-1 of the French Commercial Code related to the reporting of social, environmental and societal information and establishes a link with the 10 principles of the United Nations Global Compact.

1.1.2. Technip's Sustainability Approach and Governance

a. Approach

In a business environment which is increasingly competitive, the Group has grown significantly over the last few years. Moreover, its clients' Projects face an ever-increasing complexity. To continue to deliver profitable and sustainable projects, the Group therefore maintains its strategic framework focused on the following: (i) profitability and diversification in its project portfolio, (ii) investment in key assets and proprietary technology, (iii) strengthening its execution capabilities with increased vertical integration and (iv) being closer to its clients through national content.

Technip's focus is on demonstrating its execution capability, delivering its Projects safely and reliably and continuing to grow profitably. It involves a particular attention to risk and crisis management, quality, safety and security, including asset integrity and emergency preparedness as well as the continuous development of people's know-how and expertise.

Technip is a global company present in numerous countries, working in multiple contexts and with diversified partners, where sustainable development aspects are being ever more deeply integrated into daily activities and will continue throughout the years to come.

Technip's sustainable development initiatives are related to social, economic and environmental aspects. When it comes to social actions, the priority is the safety and development of people. Regarding economic actions, particular emphasis is given to the projects' national content. For the environment, reduction of greenhouse gas emissions, management of hazardous substances and prevention of accidental pollution are the central focus.

Embedding sustainable development into every aspect of what the Group does and building trust with its stakeholders is the basis of Technip's approach to create long-term added value and foster growth.

b. Strong corporate governance

The Group's governance and integrity is based on a strong structure, as detailed in Sections 14 and 16 of this Reference Document.

In 2014, Technip continued the process of integrating sustainability fully into its organizational structure. At local level, there are already several entities having formal CSR and sustainability structures and procedures such as the following:

- Angola (Social Responsibility Plan);
- Ghana (Sustainable Development Committee);
- Brazil (CSR Procedure);
- Asia Pacific Region (Sustainable Development Network);
- India (CSR Policy to be issued in 2015); and
- UK (Social Responsibility and Sustainability in the Supply Chain Procedure to be issued in 2015).

At corporate level, the Group has set up its Sustainable Development Policy which was issued in December 2014. This policy focuses on the following key priorities:

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

The Sustainable Development Department relies on two Committees at Group level:

- the Sustainable Development Board, which sets the strategic policy with regards to sustainable development and monitors progress. This board is chaired by the Chairman and Chief Executive Officer and its members are the Group Head of Sustainable Development, the Chief Communication Officer, an Executive Project Director, 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's Board of Directors, upon the recommendation of its Ethics and Governance Committee, is putting forward one of its independent Directors, Alexandra Bech Gjørv, to enhance the visibility of sustainable development and improve the integration of its stakes at the highest level of the Group. Furthermore, the extract of the minutes of the Board meetings dedicated to sustainable development will be made public. This will come into effect in 2015.

Technip is committed to act and measure its sustainable development performance in all its activities through relevant indicators, supported by procedures and guidelines which are under construction.

To this end, the Group Sustainable Development Department is developing principles and tools, initiates actions for continuous improvement and reports to the Group Sustainable Development Committee.

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


Sustainable Development Policy

Technip

www.technip.com

c. Integrated approach to risks

Technip's objective is to build and deliver safe and robust solutions to its clients, free of incident and unnecessary maintenance during the service life specified by each client. To achieve this objective, Technip applies an integrated approach to risks which is described in Section 4 of this Reference Document and in Section 4.2.2 of Annex C of this Reference Document. Technip has identified the potential risks which could have a material adverse effect on the Group, its business activity, financial position, performance and growth.

In addition, Technip's absolute commitment to the health and safety of its people is a core value that is regularly highlighted by the Chairman and Chief Executive Officer of Technip. Technip's business is risk driven and managing risks is Technip's business. This is the basis of its Quartz program:

- Passion for Quality;
- Understanding its challenges;
- Analysis for improvement;
- Reliability of its products and assets; and
- Target driven & Zero defect culture.

Quartz is translated for manufacturing assets into the BEST program: Better & Safer Together.

Section 4.8.2 of this Reference Document and Section 3.9 of this Annex E describe the crisis and business continuity management set up within the Group. Each year, all of the main entities of the Group and the main projects have to set up and run at least one crisis and business continuity plan. In 2014, no major security issues were reported.

Crisis management actions performed in 2014 included 74 exercises implying the mobilization of dedicated Crisis Management teams to resolve incidents based on different scenarios, the exercises being handled from offices or sites. Within these 74 exercises, 14 were held on projects, 9 on vessels, 15 on flexible/umbilical's plants and 36 to test entities and regional Crisis Management teams. These exercises involved all Regions of the Group, Technip Corporate, the manufacturing units Flexi France, Angoflex (Angola), Asiaflex (Malaysia), Flexibras (Brazil), Mobile and Carlyss spoolbases (United States).

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

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

1.1.3. Stakeholder Selection and Materiality Assessment

GRI G4-16, G4-19, G4-24, G4-25 and G4-26

a. Stakeholder mapping

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

CLIENTS

Technip is committed to creating added-value for clients by providing high-quality services and delivering high-performance installations that integrate requisite national content, taking into account the context of the country or of the area where Technip performs its operations. Section 2 of Annex E of this Reference Document describes how Technip is meeting its client requirements and expectations.

As of December 31, 2014, the Group's list of clients includes international oil companies, such as BP, Chevron, ConocoPhillips, ExxonMobil, Shell and Total, and 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.

Section 11.3 of this Group's Reference Document for the year ended December 31, 2014 details the technological partnerships with some clients. The following is a list of some of Technip's long-term partnerships:

- TOTAL: licensing alliance in styrene monomer and polystyrene (GPPS/HIPS) technologies;
- Shell: 15-year frame agreement on FLNG and heads of agreement to enhance collaboration on the design, engineering, procurement, construction and installation of future innovative FLNG facilities;
- BP: 10-year Spar platform master agreement in the Gulf of Mexico. Exclusive partnership since 2000 for PTA plants (extended in 2013);
- ExxonMobil Chemical: equal Joint Venture partner in Badger Licensing LLC, offering phenolics and styrenics technologies;
- Qatargas: 20 years of successful collaboration;
- Sasol: basic engineering and FEED alliance for GTL facilities;
- Several frame agreements in the North Sea with BG Group, BP, Shell and Statoil;
- Statoil: frame agreement for engineering studies in Brazil.

INVESTORS: TRANSPARENCY AND RELIABILITY

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

All press releases, presentations, audio webcasts and transcripts are freely available on Technip's website (www.technip.com) on the Investors section of the website: http://investors-en.technip.com. Throughout the year Technip met with over 1,000 investors, either individually or as a group at conferences and during roadshows in many cities around the world. Numerous visits, *i.e.*, "reverse roadshows", were hosted at Technip's offices: Paris (France), Houston (United States) and Oslo (Norway), which gave investors the opportunity to meet with Management and technical experts. Also, in 2014, more than 30 analysts covered Technip, publishing regular equity research reports on the Company as well as on the oil services sector and interacted with the Investor Relations team on a continuous basis.

Over the past few years, Technip has been highly ranked by the investment community for its Investor Relations efforts. In March 2014, Technip's CEO was awarded the Oil Services sector's number one CEO in the All-Europe Executive Team by the *Institutional Investor's* [1] annual survey of portfolio managers and equity professionals worldwide. Technip's CFO was ranked first CFO by the buy-side and the Company received top honours for the best Investor Relations' program with its Senior Vice president Investor Relations awarded first Investor Relations professional. Accordingly, Technip was ranked as the third most honoured company in Europe across all sectors.

In June 2014, Technip was once again awarded by Extel, with participation from over 12,000 investors, as having the third best Investor Relations in France and as number one for the entire European Oil Services sector for CEO, CFO, top corporates for Investor Relations and IR Professionals.

In January 2015, Technip received the Bronze Medal in RobecoSAM's Yearbook, confirming the Group's status as one of the sustainability leaders in its industry, which is reflected by its inclusion in the Dow Jones Sustainability Indices (DJSI) since 2001. Moreover, Technip is part of the Euronext_Vigeo_Eurozone 120 list. In 2015, as Technip wishes to improve its status, 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, in 2014, Technip received the Top Employer Europe certification by the Top Employers Institute (formerly known as the CRF Institute), 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 by Technip of its people is clearly recognized on the other side of the Atlantic, since the Group was Top Employer 2014 in Brazil and Canada categorized it among the 100 best employers of the country.

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

SHAREHOLDERS: SHARING THE BENEFITS OF GROWTH

Technip encourages a fair return for all of its stakeholders and therefore takes care to share the benefits of its growth with them. On this basis, Technip's Board of Directors proposed that the Annual General Meeting (AGM) of shareholders to be held on April 23, 2015 approve the setting of the dividend at €2 per share with a shareholder's option for the payment in new common shares benefiting from a discount of 10%, *i.e.,* an 8% increase over 2013.

In 2014, Technip continued to promote an active and ongoing dialog with its individual shareholders by launching several initiatives and communication tools throughout the year, such as a newsletter to shareholders and a webzine dedicated to the AGM, to name only a few. This webzine, accessible *via* www.assembleegenerale.technip.com or on the Technip corporate website, enable Technip's shareholders to access at a glance the documents and videos showcased during the AGM. Technip also enlarges the offer of its Shareholders' Club, launched in 2013, to strengthen its relationship with new initiatives and site visits to enhance their knowledge of Technip's operations.

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

- In January 2014, a technological conference dedicated to Ethylene was hosted at Technip's corporate headquarters and was very well received by the shareholders.
- In May 2014, Technip's individual shareholders were welcomed at the Technip Innovation and Technology center in Rueil-Malmaison (France) and also, in October 2014, at Flexi France, Technip's flexible pipe manufacturing plant in Le Trait (France).
- On October 24, members of the Club were invited to the first financial training of 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 had the opportunity to meet current and potential shareholders during two individual shareholder meetings held in Lyon (June) and Paris (December). Additionally, on November 21 and 22, 2014, Technip participated in the Actionaria Exhibition [2] in Paris. Nearly 1,000 visitors, many of them already shareholders of Technip, came to meet the Group's teams. At the *"Agora des Présidents"* held on the afternoon of November 21, the VP Group Controller gave a live interview, which was attended by more than 200 individuals. This was an opportunity for her to pass on key messages including Technip's strategy for profitable and sustainable growth.

2014's highlights:

- Throughout the year, Technip performed nearly 10 events for individual shareholders and met approximately 1,500 of them.
- Individual shareholders of Technip had the opportunity to meet nearly 20 managers of Technip from different operations, entities and departments.
- Technip's Shareholders' Club, which was launched in 2013, already counts hundreds of registered shareholders.

(1) *Institutional Investor* is among the world's foremost financial publications for a global audience of finance and investment decision makers. It produces a host of proprietary research and rankings that serve as the industry-standard benchmarks for professionals and executive teams. The 2014 All-Europe Executive Team is based on the votes of 832 portfolio managers and analysts from buy-side investment firms and 1,238 analysts from sell-side firms.

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

SUPPLIERS AND CONTRACTORS: SUSTAINABILITY IN THE SUPPLY CHAIN

As a world leader in project management, engineering and construction for the energy industry, Technip's supply chain is paramount to deliver successful Projects. Section 5 of this Annex E illustrates the integrated approach and the close working relationship set up by the Group to increase sustainability in its supply chain.

Section 11.3 of this Group's Reference Document, for the year ended December 31, 2014 details the technological partnerships with some key technology providers. Some of Technip's long-term partnerships:

- Air Products: cooperation agreement for more than 20 years to supply hydrogen to the global refining industry;
- Asahi-Kasei: non-exclusive worldwide partnership in Chlor-Alkali, for their membrane cell process technology;
- Axens/IFP/TOTAL: a 30-year business relationship for fluidized catalytic cracking;
- BASF: engineering partner umbrella service contract for chemical and petrochemical projects;
- Sinopec: high olefins catalytic cracking technologies since 1992;
- INEOS & SABTEC: partnership since 1963, 115 Polyolefin units engineered; and
- SABIC-IP: partnership for its emulsion and mass ABS technologies for license.

HUMAN RESOURCES

Technip is fully committed to all of its stakeholders including its employees, contracted staff and other stakeholders (sub-contractors, vendors, clients, etc.) whom are central to Technip's strategic development. An entire section of this Annex (Section 3) is dedicated to Human Resources.

LOCAL COMMUNITIES: NATIONAL CONTENT AND LONG-TERM RELATIONSHIPS

The Group is committed to promote partnerships that strive to improve employability, self-sufficiency and development at both local and national levels. Section 5 of Annex E illustrates how Technip's actions have contributed to increase local capabilities during 2014. In addition, Technip seeks to build long-term positive relationships with the communities living near its operations, which is the focus of Section 6 of this Annex E.

PROFESSIONAL ASSOCIATIONS

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

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

b. General communication with stakeholders

GRI G4-24, G4-25, G4-26, G4-27 and G4-37

Throughout the year, Technip interacts with its stakeholders internally and externally through different channels. Internally, Technip enhances cohesion and social exchange by organizing events across all the entities such as: One Technip Day (an initiative for the global Technip family to virtually come together on the same day), Project Managers Days (where managers and the top management share their experiences and establish a dialog), worldwide events and campaigns such as the Quality month and the introduction of the Quartz program in 2014, or the World environmental day. Additionally the Group has its own internal channel to transfer information such as *Technip in Motion* – a weekly newsletter; *Horizons* magazine – on Technip strategies, projects and people; and the *Tomorrow* magazine, a technical review released twice a year.

Technip is active in the media to engage with external stakeholders and the public, with more than 50 interviews of the top Management and 80 press releases in 2014. To strengthen its link with the public, the Group communicates through social media (more than 30,000 Facebook fans and more than 275,000 followers on LinkedIn in 2014), its website and synthetic reports such as Technip at a Glance or the Activity and Sustainable Development Report. With 38 selected tradeshows worldwide and 60 marketing brochures. Technip is proactively engaging with its business stakeholders.

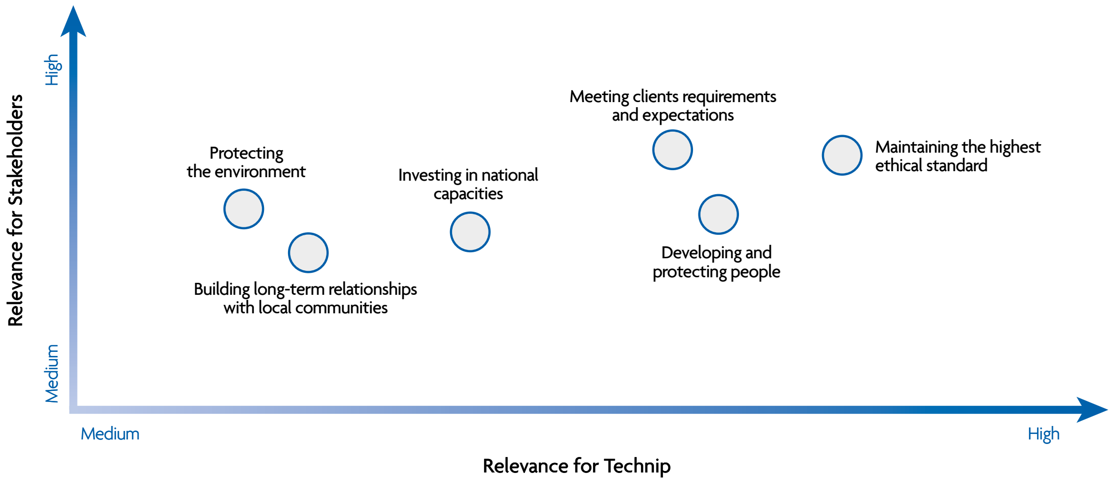
c. Materiality assessment

GRI G4-18 and G4-27

In 2014, BSD Consulting (independent global sustainability consultancy) was appointed by Technip to perform independent interviews to Technip's stakeholders and undertake a materiality test following both GRI G4 (1) and IPIECA (International Petroleum Industry Environmental Conservation Association) guidance and obtain their perception of Technip's business and organization. A preliminary list of material aspects was prepared by BSD Consulting and used during stakeholders' interviews. The selection process of Technip's stakeholders was defined to cover a maximum of transverse functions, relationships and business knowledge. Internal stakeholders were selected among the Board of Directors, country managers, chief operating officers and executive project Directors across Technip's entities worldwide. The external stakeholders were represented by major clients and suppliers, non-governmental organizations, local community leaders and industry associations.

The stakeholders were asked to rate the relevance of each of the material aspects presented in the preliminary list, from 1 (being less relevant) to 4 (being very relevant). The aspects considered to be material for Technip are those where the rating is superior to 3 for both internal and external stakeholders. These are presented in six categories and 26 aspects as a matrix and a table below.

Materiality matrix



(1) Technip prepared this Report following the Global Reporting Initiative (GRI) guideline G4 and respects the principles of stakeholder inclusiveness, sustainability context, materiality and completeness. The report has been prepared in accordance with the "Core" option of GRI G4. The "Oil & Gas" sector specific guidance from GRI G4 has been assessed at an early stage of the reporting process and considered not relevant to Technip's activities.

GRI G4-19

Material Category	Material Aspects	Reference
Maintaining the highest ethical standard	Corporate Governance and Integrity	Annex E, Sections 1.1.2 and 1.2.1
	Anti-corruption, Compliance with Laws and Regulations	Annex E, Section 1.2
	Responsible Marketing & Sales	
	Fair and Long-term Business Relations	
Meeting clients requirements & expectations	Risk and Crisis Management	Annex E, Section 1.1.2
	Client Satisfaction	Annex E, Section 2
	Product Safety	
	Innovative Technology	
Developing & protecting people	General Conditions of Employment, Employee Development, Diversity & Equal Opportunity	Annex E, Section 3
	Safe & Healthful Workplace, Security Practices, Asset integrity and Emergency	
Protecting the environment	Energy Use, Greenhouse Gas (GHG) Emissions, Air Pollutants Emissions, Hazardous Substances, Solid Waste, Water and Wastewater, Biodiversity & Ecosystems	Annex E, Section 4
Investing in national capabilities	Sustainability in the Supply Chain, Human Rights, Local Content	Annex E, Section 5
Building long-term relationships with local communities	Indigenous & Local Communities Rights	Annex E, Section 6

d. Material aspects boundaries

GRI G4-20 and G4-21

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

1. The material aspects were plotted against the main Technip stakeholder groups.
2. Technip's definitions of aspect boundaries are as follows:
   - *within i.e.,* when it is impacted or has an impact on Technip's employees, offices, fleet and industrial assets and/or construction sites; and
   - *outside i.e.,* when it is impacted or has an impact on Technip's clients, subcontractors, suppliers, investors/shareholders, local communities, NGOs and government authorities.
3. The Sustainable Development team members proceeded to independently rating the material aspects against the relevant boundaries.
4. Aspects boundaries were defined as relevant (*i.e.,* within and/or outside) when at least 80% of the team members were in full agreement.
5. In October 2014, the approach and results were discussed and approved during a workshop with BSD Consulting.

The boundaries for Technip's material aspects are set out in Section 7 of this Annex E.

1.1.4. Key Performance Indicators Identification

In 2014, for each material aspect identified, Technip has been progressively identifying the management approach to be able to collect and monitor relevant Key Performance Indicators (KPIs).

Throughout 2014, based on GRI G4 indicators and the existing indicators at Technip, several workshops were held with internal stakeholders to create a list of relevant KPIs. During summer 2014, this list was presented during a workshop to the top Management to involve internal stakeholders and obtain the most pertinent indicators. The participants were separated into groups of diverse profiles to discuss pragmatically about the material aspects and their complexity. The aim was to start identifying one or more KPIs to evaluate the aspects, but also to define relevant indicators for Technip. This workshop was the second step of the identification process which continued with the cooperation of key departments to obtain a list of final relevant KPIs.

Some material aspects are at an early stage of implementation from the sustainability perspective: human rights and sustainable development in the supply chain, responsible marketing and sales, innovative technology, fair and long-term business relations, asset integrity and preparedness, sustainability in the supply chain and product safety. For this reason, some key performance data and information identified in 2014 are new and data collection is timely to be implemented. Therefore, for this reporting year, only consolidated KPIs were presented. Additionally, for security and confidential reasons only disclosure management approaches (DMA) are reported regarding compliance with laws, regulations and security practices.

The main KPIs identified in 2014 are listed below:

Material Category	Principal Key Performance Indicators in 2014	Reference
Maintaining the Highest Ethical Standards	To be defined in 2015	Annex E, Section 1
Meeting Clients' Requirements & Expectations	8.0/10: average grade of client satisfaction survey	Annex E, Section 2
	8.2/10: post-delivery performance according to the client satisfaction survey	
Developing & Protecting People	19% of women in managing *positions*	Annex E, Section 3
	0.19 Total Recordable Case Frequency (TRCF)	
Protecting the Environment	3.58 kg of waste produced per man-hour	Annex E, Section 4
	2.5 kg equivalent CO_2 produced per man-hour	
	9.98 litres of water consumed per man-hour	
Investing in National Capabilities	83.9% of staff in management positions are nationals	Annex E, Section 5
	40% of the overall Procurement expenditure is certified to be sourced in the same country of purchase	
Building Long-term Relationships with Local Communities	€1,435,978.84 is the total amount of donations made by Technip entities	Annex E, Section 6

All KPIs linked to material aspects for 2014 are listed in Section 7 of this Annex E.

1.1.5. Monitoring and Review Process

GRI-G4-26 and G4-33

Data and information are monitored and reviewed on a monthly basis by Technip through recognized data management softwares (Synergy and Enablon) and a network of local and regional coordinators. These data are consolidated at Group level every year. Technip's Consolidated Environmental, Labor and Social Information are annually certified by Statutory Auditors appointed as independent third-party entities, to comply with the French law Grenelle II (Article L. 225-102-1 of the French Commercial Code).

The Group's Executive Committee aims to progressively implement best practices within Technip's activities. For this reason, this year, the Statutory Auditors were appointed to audit the totality of this Annex E including GRI G4 and, therefore, extending the scope on a voluntary basis. The report of the Statutory Auditors, appointed as Independent Third-Party Entities, on the Review of Consolidated Environmental, Labor and Social Information can be found in Annex F of this Reference Document.

In 2017, the Group is expecting to renew its materiality assessment through an independent third party. It will allow Technip to implement new actions regarding stakeholders' needs, objectives and expectations.

1.1.6. Definitions and Scope

a. Definitions

Anti-corruption: Corruption risks, transparency of payments to governments, cases of and actions against bribery, fraud, extortion, collusion, conflict of interest, money laundering, whistle-blower structures, training on these matters to employees.

Asset integrity & emergency preparedness: Process safety, prevention of major incidents (spills, combustions, fires), emergency plans for local communities (risk communication, preparation, crisis management).

Biodiversity & ecosystem: Protection of ecosystems and endangered species affected by operations, accidental effluents to soil or water, deforestation, protection of land, soil erosion, coastal erosion and rainforest destruction.

Client: Technip's client.

Client satisfaction: Client loyalty, post-delivery incident management, customer complaint management, dispute resolution, management of issues at facilities delivered to clients, once performance guarantees are over.

Compliance with laws & regulations: Legal and regulatory compliance, avoidance of complicity, compliance with governmental initiatives.

Construction yard: specialized in Spar hull and mooring systems, drilling rig conversions, Offshore construction services and heavy industrial products.

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 laws or practices.

Corporate governance & integrity: Codes of conduct/compliance/anti-corruption, conflict of interests, governance structure, project management, nomination process of management and governing bodies, gender participation on governance bodies, remuneration policy, knowledge of economic, environmental and social topics, mechanisms for ensuring ethical and lawful behavior or reporting concerns about unethical or unlawful behavior (*e.g.,* helplines, advice lines and whistleblowing mechanism).

Diversity & equal opportunity: Diversity in the workforce, women in management positions, gender equality, equal pay for women and men, fair treatment, non-discrimination on grounds of age, ethnic origin, gender, sexual orientation, religion, political opinion, or social origin, employee equity and integration of people with disabilities.

Emissions: Greenhouse Gas: Emissions from fossil fuel combustion (suppliers, own operations, clients), venting and flaring, energy consumption and type of energy source, reduction of emissions, offsetting emissions.

Emissions: Other air pollutants: nitrogen oxide (NOx), sulphur oxide (SOx), volatile organic compounds (VOCs), fine dust emissions, ozone-depleting substances (ODSs).

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

Employee development: Employee training and development, performance evaluations, development planning, promotion of skills, employment of apprentices and interns, internal mobility and mentoring.

Energy use: Electricity & fuels for vessels and plants, energy-efficient vessels, energy-efficient plants (construction, machines), energy savings (energy reduction year on year), renewable energy use, energy in offices.

Entity: Legal entity or branch offices where Technip is present, whatever the operations.

Expatriate: For an entity, expatriates are staff on payroll assigned abroad under an expatriation or a secondment contract and covered by the Group's International Mobility Policy.

Fair & long-term business relations: Contracts, fair pricing & negotiations, fair contractual practices, long-term business partnerships, long-term planning, monopoly practices, abuse of market position, cartels, anti-competitive mergers, price-fixing and other collusive actions which prevent competition.

General conditions of employment: Working conditions and labor right, hours of work, rest periods, holidays, competitive wages and benefits, profit participation, social protection (employment injury, illness, parenthood, old age, disability, medical care) and sustainability of pension.

GRI: Global Reporting Initiative. The GRI is a non-profit organization that produces one of the world's most prevalent standards for sustainability reporting.

Hazardous substances: Use of hazardous substances (*e.g.,* acids and heavy metals) in production process, hazardous waste management.

Human rights: Child labor, forced and compulsory labor, human trafficking, involuntary resettlements, land grabbing (*e.g.,* from poor communities without consultation/compensation), conditions of migrant workers, due diligence of activities and purchased products.

Indigenous & local communities' rights: Rights of indigenous populations and local communities. Applicable in the contexts of land use, cultural heritage preservation and social welfare.

Innovative technology: Research in sustainable technology, development of innovative products & solutions with improved footprint, extension of product & service portfolio towards more sustainable solutions; increased relevance of renewables, bio-based and eco-friendly solutions and eco-design.

Inpatriate: For an entity, inpatriates are inbound assignees sent by another entity of the Group under either an expatriate or a secondment contract and covered by the Group's International Mobility Policy.

KPI: Key Performance Indicator.

Local content: Contribution to self-sustaining development of communities, local (national) workforce, local procurement and supplier development, local capacity building/education (employability) and adverse indirect impacts (*e.g.,* inflation, immigration).

Material aspect: Material aspects are those that reflect the organization's significant economic, environmental and social impacts; or that substantively influence the assessments and decisions of stakeholders. To determine if an Aspect is material, qualitative analysis, quantitative assessment and discussion are needed.

Personnel classification: It 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 plant:** manufacture of flexible pipes and umbilicals;
  - **Spoolbase:** rigid pipe spoolbase facilities.

Product safety: Durability & reliability, spill detection and prevention technology, end user and local communities' health & safety. Quality and safety control of infrastructures and products provided to clients for the duration specified by clients.

Project: Technip's project including all phases (engineering, procurement, installation, construction, pre-commissioning, commissioning and start-up).

Responsible marketing & sale: Transparency in communication (*e.g.,* online communication, brochures, reports) in particular on environmental and safety issues, factual and unbiased information.

Risk & crisis management: Risk avoidance and mitigation, "Cope" (business continuity), incident management, financial impacts of social and environmental risks (*e.g.,* climate change and natural hazards).

Safe & healthful workplace: Health and safety of employees, accident prevention, health checks, information for travelers, case management following a long period of absence, ergonomic work area, pressure at work, joint labour-management health and safety committees, harassment or emotional abuse/mobbing and burn-out.

Security practices: Approach to the Voluntary Principles on Security and Human Rights, risk assessments and mitigation, relationships with public or private security providers and communication to employees regarding security.

Solid waste: Waste generated, *e.g.,* in the production process and operational activities, waste disposal, recycling programs in manufacturing operations, recycling programs in offices.

Subcontractor: Includes subcontractor engaged to perform work on a Project.

Supplier: Same as vendor.

Sustainability in the supply chain: Awareness for sustainability issues in the supply chain, implementation of binding standards (*e.g.,* International Labor Organization (ILO) core labor/human rights standards) throughout the supply chain, supply chain monitoring/audits, supplier code of conduct, supply chain dependencies, supplier compliance, social and environmental risk prevention in supply chain, procurement from politically unstable regions, responsible sourcing in controversial raw material/ conflict minerals supply chain, effective grievance mechanism, due diligence, energy use in supply chain, GHG emissions in supply chain, supplier compliance, GHG emissions, ILO/human rights and audits of suppliers.

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

Vendor: Manufacturer or supplier of equipment or material.

Water & wastewater: Water consumption, water scarcity, water saving in recycling and re-use process, produced water and wastewater treatment.

b. 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	Contracted workforce	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.

1.2. MAINTAINING THE HIGHEST ETHICAL STANDARDS

Ethics Charter

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


Ethics Charter

Our Objectives

Our Rules of Good Conduct

Technip

A clear strategy and strong ongoing commitment

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

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

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

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

Depending on the topic being presented, the type of employees involved varies from different types of positions from operational to corporate staff. Moreover, Technip involves business partners in these trainings such as commercial consultants, joint ventures/consortia, custom agents and freight forwarders.

Compliance organization

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

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

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

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

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

1.2.1. Preventing Corruption

GRI G4-SO4

Covering all business operations

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

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 force 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, customs agents and freight forwarders as well as 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. Similarly, a due diligence and compliance procedure is to be completed for every social donations and charitable contributions.

In 2014, the Group continued with its large-scale initiative by developing Technip's first Code of Conduct which is expected to be finalized in 2015. It will then be made available through various communication and training channels worldwide and will serve as guidance to employees and a resource for stakeholders to better understand the role and importance of compliance within Technip.

Ensuring alerts are raised

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

Training the workforce and leadership

In 2014, Technip continued with the regular training organized by Regional Compliance Officers supported by the Ethics and Compliance Committee and continued to improve its training program by developing a new e-learning offering to be launched in 2015, with the aim of ensuring that specifically identified employees within the Group are appropriately acquainted on anti-corruption compliance on a regular basis.

1.2.2. Promoting Fair and Long-Term Relations

The first objective stated in the Ethics Charter consists in offering success opportunities to suppliers, partners and subcontractors in a spirit of fair competition and mutual rewarding collaboration with Technip. Thus, in 2014, the Group continued training specifically identified employees on antitrust regulations and competition law at Corporate and Regional levels.

A new procedure is under finalization and is expected to be published in 2015.

1.2.3. Complying with Export Control Regulations

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

In 2014, an e-learning program was developed and launched to train specifically identified employees on export control regulations with a particular focus on the rules of export control and embargoes led by the European Union and the United States.

1.3. 2015 OBJECTIVES

GRI G4-27

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

In light of the above, Technip's objectives in 2015 are as follows:

- to engage with its top 20 suppliers and subcontractors to ensure their organizations are also improving in terms of sustainability;
- to move ahead on Technip Reference Catalogue of Sustainable and Innovative Solutions and promote a deeper dialog with key customers, to make more visible in particular Technip's approach to anticipate the impact of climate change on the infrastructures delivered;
- to produce a sustainable development procedure in 2015 to help integrate sustainability further into its project tendering and execution;
- 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 the awareness among the Group to create a culture of sustainable development.

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

Sustainable development is a journey, not a destination. As the Group matures the goal is to embed and inspire positive energy inside and outside the organization.

2. Meeting Client Requirements and Expectations

GRI G4 PR5

2.1. 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 region where the Group operates.

In terms of construction, Technip has a unique expertise in the management of simultaneous mega-projects. Acute methods and processes are required to deliver projects which meet clients' requirements and expectations and respect the highest standards in safety and quality. These competencies in designing and managing construction activities are shared across all of Technip's operating centers (*e.g.,* Paris, Rome, Abu Dhabi and Kuala Lumpur) to ensure the best knowledge possible of the local construction market and are deployed through Technip's site teams on every project. Construction at Technip includes a dedicated global division in Abu Dhabi. This division aims to increase Technip's supervisory resources, to develop construction methodologies and processes as well as to foster long-term construction partnerships, providing Technip with an additional edge in construction activities.

Technip focuses on quality with the aim of improving client satisfaction and competitiveness, reflecting the Group's commitment to its clients. Technip's main entities are ISO 9001 certified. Technip has developed the Quartz program aiming to educate, inform and motivate its employees and stakeholders and sustain a culture of excellence and continuous improvement in business performance.

High level of operational efficiency requires a strong integrated approach to risks, as detailed in Paragraph C of Section 1.1.2 of this Annex E.

As part of its ongoing efforts to increase competitiveness, the Group has paid increased attention to costs and deadlines. Since the adoption of the Lean operating principles and the Six Sigma quality improvement program in 2010, approximately 300 Lean-Six Sigma people have been trained to assist others with the use of these systems (about 240 in 2013). Similarly, approximately 200 quality-related projects, also named Business Excellence Improvement Projects, were launched in all sectors and, as of the date of this report, approximately 140 are completed. Examples of Business Excellence Improvement Projects are provided below:

- Engineering: Develop a Value Engineering process;
- Procurement: Set up supplier qualification for failure mode analysis;
- Construction & Installation: Reduce welding rejection rate;
- Manufacturing: Reduce non-conformity report in extruder machines;
- Support service: Improve the recruitment process; and
- Vessels: Set up a Condition Monitoring (CM) strategy: enable problem components to be repaired before they fail.

Regarding client satisfaction, the following key indicators are used as the basis for surveys: health, safety and environment (HSE), project execution, relationship with clients, project documentation, schedule compliance, cost compliance, adequacy of resources, commercial management and post-delivery performance.

Throughout some of Technip's Projects, survey questionnaires are used to allow a clearer understanding of client expectations and to identify areas for improvement. In 2014, 179 surveys were conducted on 130 projects across Technip's operating Regions and business segments. The results reflect a level of client satisfaction slightly higher than that for 2013: the overall rating is 8 over 10. Moreover, according to clients, Technip differentiates itself especially on project management and execution, relationship with clients, post-delivery performance, quality and HSE. For Post Delivery Performance, the ranking is 8.2 over 10.

2.2. PRODUCT SAFETY

In terms of product safety, Technip's industry market is heavily regulated to ensure that the solutions delivered to its clients do not harm anyone or damage the environment.

Below are examples of EU regulations that Technip must comply with:

- directive No. 2001/95/EC, for general product safety;
- directive No. 97/23/EC and 2014/68/EU, for pressure equipment;
- directive No. 98/37/EC and 2006/42/EC, for machinery;
- regulation No. 305/2011, for construction products;
- directive No. 94/9/EC, for equipment and protective systems intended for use in potentially explosive atmospheres; and
- directive No. 1907/2006/EC (REACH), for the registration, evaluation, authorization and restriction of chemicals.

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

Technip believes that all accidents are preventable. Therefore, the objective is to bring its customers further on the journey to zero accident.

a. Within Technip's projects

HAZARD MANAGEMENT AS AN INTEGRAL PART OF THE DESIGN PROCESS

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

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

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

The HSE Design philosophy implementation is ensured by starting from systematic multi-disciplinary reviews and workshops performed at regular intervals of the Project such as plot plan reviews, Hazard Identification (HAZID) reviews, Hazard and Operability (HAZOP) reviews, ALARP demonstrations and Safety Integrity Level (SIL) reviews. In addition, a probabilistic Quantitative Risk Assessment (QRA) is performed, which allows demonstrating acceptability of risks from plant operation against client or regulatory risk acceptance criteria and allows defining the risk-based design accidental loads and additional risk reduction measures on design stage. The accidental loads are defined during the design stage for safety critical elements such as platform decks, primary structures, equipment containing hazardous substances and Emergency Shut Down Valves (ESDV) by modelling effects of toxic or flammable gas dispersion, fires and explosions. Those risks found unacceptable according to client or regulatory criteria are minimized to acceptable levels, by implementation of risk reduction measures following the ALARP approach.

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

SAFE PLOT PLAN DEVELOPMENT

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

ENVIRONMENTAL AND HEALTH PROTECTION IN DESIGN

Technip endeavours to ensure that installations are designed in compliance with environmental and health regulations and standards applicable to the project as well as to minimize their impacts and risks managed through the ALARP principle. As such, applicable regulation, client standards and other applicable performance standards are first analyzed to identify the requirements to implement into the design of Technip projects.

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

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

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

b. Within Technip's manufacturing activities

In the Subsea sector where Technip has manufacturing activities, the API (American Petroleum Institute) construction codes are strictly applied to flexible pipe design and rely on product performance. API codes are used as a reference within the oil and gas industry worldwide. Technip frequently uses the following API Codes:

- API 16A: the industry Specification for Drilling Equipment;
- API 6A: the oil industry Specification for Wellheads and Christmas Tree Equipment;
- API 16C: recommended guidelines for inquiry and purchase of Choke and Kill Systems Equipment. A kill system, also known as an emergency stop or e-stop, is a safety mechanism used to shut off a device in an emergency situation if the normal shutdown does not succeed. These systems are commonly used in Subsea industry; and
- API 17J: industry specification for unbonded flexible pipes. This standard is regularly updated to reflect state of the art design methodologies and account for learnings from operations and extension of usage domains (ultra-deep water & high pressure).

Due to API 16A and API 6A, end connectors assembled on flexible pipes are designed according to a product specification level and a performance requirement. Product specification levels are quality class requirements based on rated working pressure and type of fluid. Performance requirements are based on the service conditions, as specified by the purchaser. Product safety levels and product requirements are key data taken into account for a safe design. A qualification phase is intended to demonstrate the level of performance achievement.

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

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

All Technip products design methodologies and manufacturing processes are continuously monitored by third party inspection bodies and validated through Type Approval Certificates. These certificates are provided after Technip's products pass the relevant performance qualification tests. These bodies certify that sufficient safety margins are taken in line with the API standards but also integrating latest knowledge from manufacturing, testing and field experience. In addition, all assets are independently certified according to quality, health, safety, environment and security standards. Management systems and product performance are closely linked through certain requirements: design control, risk analysis, continuous improvement process and customer feedback.

Risk analysis like failure mode effect and consequence analysis are typical methods used in Technip's R&D and industrial processes qualification steps. Type approvals do not only consider the design and the product, but also how the product is manufactured and controlled. For a more robust approach, high quality standards are shared between all Technip units based on cross audit fertilization. This best practice approach applies also for Technip's infrastructures and for its key partners. Key partners' products and services are qualified according to international codes and standards requirements and best practices before being included in the Technip Type Approval scheme. Key partners are also invited to cascade Technip's requirements and philosophy to their own partners. Supply Stars, an award process to recognize Technip's best partners by category, is in place on an annual basis.

In construction, a flexible pipe, which is a composite structure made of several metallic and plastic layers, is a robust solution to confine a spill in the pipe annulus and to detect the spill before it potentially damages the environment. Technip's R&D programs are oriented toward reliability and durability objectives; for example, its annulus continuous monitoring and the morphopipe projects.

Technip know-how is not only dedicated to designing and manufacturing flexible pipes, but also to demonstrating robustness through the entire life-cycle.

One of Technip's latest innovations: an autonomous system to inspect risers in service and monitor the residual shelf life according to real operating conditions.

2.3. ASSET INTEGRITY AND EMERGENCY PREPAREDNESS

Making robust products is not enough. Therefore, Technip constantly cascades its Quartz and BEST programs requirements to its assets. The Group is engaged into a continuous improvement process and its objective is to develop and maintain the highest resilience to its assets and apply business continuity best practices following the ISO 22301 standard. The management of Technip's manufacturing assets is prepared to quickly react to all kinds of events that may impact Technip's business throughout its value chain.

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

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

The Group's Emergency Response teams organize tests on regular basis. The exercises are performed according to realistic scenarios that generally involve civil authorities and aim to mutualise the training events. For example, in Flexi France, local firemen and policemen have been associated to four exercises performed in 2014. In these events, Technip staff had the opportunity to measure its emergency response performance and validate procedures and equipment used in crisis situations.

For additional information, please refer to Section 4.8.2 ("Crisis and Business Continuity Management") of the Group's Reference Document for the year ended December 31, 2014 and Section 3.9 of this Annex E.

2.4. SUSTAINABILITY: A KEY DRIVER FOR INNOVATION

2.4.1. Disseminating a Unique Leading-Edge Approach

GRI G4-26

Current and predicted effects of climate change, the increasing demand for energy and social equity in emerging countries, the booming prospects for green and sharing economy, are making energy companies and even the most reluctant governments move forward towards new strategies of development that incorporate sustainable criteria.

In this evolving context, Technip has interpreted its role as an engineer and a technology provider by elaborating a new model that combines sustainability with innovation and generates long-term progress for all its stakeholders.

To promote this new distinctive approach based on four pillars (the triple bottom line of Environmental-Economic-Social Sustainability + Innovation) the Sustainability and Innovation (S&I) division, within Technip's Group Sustainable Development department, has carried out specific actions, as per the S&I Strategy and Roadmap, including, but not limited to, the following.

a. Raising internal awareness and competencies

In June 2014, a seminar and training on Leadership in Energy and Environmental Design (LEED) was organized. Under this initiative, more than 70 engineers were trained from different departments on LEED protocol and certification system and were able to engage with partners, associations and institutions on eco-design. As a result of the interest raised by the seminar, additional training sessions on LEED (including tutorials, simulations and exercises to prepare Technip's resources to take LEED accreditation) were carried out at regional level. Other trainings are scheduled for 2015, including a dedicated webinar on eco-design criteria and how to apply them to structural engineering.

In line with the priority of boosting sustainable and innovative solutions, specific focus has been given to the Life-Cycle Assessment (LCA) methodology, which was successfully applied in assessing the impacts on health and environment during the complete life-cycle (design, construction, operation and decommissioning) of two Projects and compare quantitatively various design solutions and technologies. This resulted in the application of Best Available Technologies (BAT) and International Finance Corporation (IFC) performance standards of the World Bank, also in countries with less demanding regulations. To increase the diffusion of LCA and promote the advantages of this approach, both internally and externally, dedicated communication materials and videos were also prepared.

In addition, meetings and presentations to Group and Regional managers were held, with specific reference to, among others, Group HSE and Quality, Group Global Engineering, Group Global Procurement, Group Global Construction, Group Internal and External Communications.

b. Raising external awareness and collaborations

Technip organized meetings and presentations with Clients and Top Suppliers to make them aware of Technip's combined approach to sustainability and innovation and to mutually agree on common initiatives on key topics, including climate change and energy efficiency.

As part of its membership in the Word Ocean Council, Technip is participating to the working groups on underwater noise modelling and Arctic protection. Moreover, through its membership in the Kyoto Club, Technip is promoting an open dialogue with institutions and non-profit organizations (such as the Green Building Council, European Climate Foundation and Third Generation Environmentalism) on green schools and low-carbon economy.

Specifically on eco-innovation and bio-based industries, Technip recently joined as an expert group member the workgroup on eco-innovation of the Italian Sustainable Development Foundation and has been interacting with European Union representatives and international leaders on bio-based industries.

Moreover, Technip entered into a key collaboration with the internationally recognized marine research institute CNR-Insean to develop and test sustainable and innovative solutions to increase Technip's competitiveness in Offshore installations.

c. Progressing on Technip's Reference Catalog of Sustainable & Innovative Solutions

Technip has distinctive references in sustainable and innovative solutions included in its technological portfolio or designed and applied in projects. As part of its strategy to make these references more visible, both internally and externally, Technip has decided to create a Reference Catalogue of Sustainable and Innovative Solutions (S&I Catalogue).

The year 2014 has been dedicated to increasing the internal awareness of the process, in creating procedures and templates for the contributors and in engaging Technip's departments and resources.

Significant efforts were expended on the involvement of centers of excellence for technological innovations and expertise (Technip Stone and Webster Onshore Process Technologies, Subsea Innovation and Technology Center, Expert Network, Chief Technology Officers, Patents and Intellectual Property Department) that are and will be the top contributors for the S&I Catalogue.

As a result, an activity of data collection and document preparation was carried out for some proprietary technologies and specific solutions awarded by Jacques Franquelin's internal award or developed by Group experts (such as Electrically Trace Heated Pipe-in-Pipe Technology, flexible risers with integrated structural monitoring (Morphopipe), sustainable and innovative solutions for soil improvement and pile testing, innovative emission monitoring and predictive system, effective modular solutions for electrical substations, human factor engineering solutions and ergonomics).

The Group's Intellectual Property Department has initiated, on the technological side, a dedicated screening to identify the sustainability benefits related to Technip's patents and innovations, also in view of defining representative key performance indicators. The results on this internal survey will be released in 2015.

To step-up the generation of sustainable and innovative solutions to be added to the S&I Catalogue, Technip has defined a special recognition award as part of the internal Best Technical Publication Award, which allowed, in 2014, to reward a publication on sustainable solutions to reduce flaring and increase conversion of associated gases from Offshore oil fields.

d. Engaging with stakeholders for a sustainable and innovative future

Technip has initiated a proactive exchange of ideas with its key clients and partners to identify priorities in sustainable development strategies and plan for future joint initiatives. In particular, alliances and long-term relationships with key clients and partners have already created value for sustainability.

As part of its alliance with BP on Purified Terephthalic Acid (PTA) technology, Technip is building the new PTA 3 plant in Zhuhai, China, implementing solutions that significantly increase the site's environmental performances. In fact, compared with conventional PTA units, the Zhuhai plant will achieve 75% lower water discharge, 65% lower greenhouse gas emissions and 95% lower solid-waste generation.

In addition, Technip has renewed its cooperation agreement on research and innovation with IFP Énergies nouvelles (IFPEN) for five years, with the scope of finding solutions that could meet the challenge of ultra-deep water developments while protecting the environment. Special focus will be given to asset integrity and anti-H_2S solutions to avoid accidental releases due to high pressures and higher corrosion risks related to deep water conditions.

Another successful example of stakeholder engagement for building sustainable and innovative solutions is represented by Large Scale Vortex Burner, a new technology jointly developed by Technip and Air Products, which ensures ultra-low NO_x emissions, higher efficiency and improved reliability for a wide range of furnaces, along with additional benefits in Technip's ethylene and hydrogen process technologies.

2.4.2. Incrementing Technological Innovation

Sustainability is playing a greater role in product or service differentiation and is becoming an increasingly important driver for innovation. Introducing new design constraints and performance targets, sustainability allows to generate enhancements and disruptive innovations, which open new business opportunities and game-changing solutions never imagined before.

Embedding sustainability in Technip's work process is resulting in a higher attention to reduce energy consumptions, improve efficiency, increase safety and minimize impact on the environment.

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

- the improvements of energy efficiency in ethylene process technology, which delivered a lower cost of ownership to its clients with reduced environmental impact. This involves a number of programs such as compressor-less refrigeration system and swirl flow tubes;
- the novel approach in the solids' separation technologies used in Technip's fluid catalytic cracking portfolio, which allowed to reach the goal of reducing particulate emissions;
- the adoption of double-walled self-containment tanks as minimum safety and sustainability requirement for light hydrocarbons, such as LNG and ethylene, in all of Technip's Projects worldwide;
- the development of proprietary Large Scale Vortex (LSV) burners for the furnaces used in Technip's steam methane reforming and ethylene cracking technologies, to ensure ultra-low NOx concentrations and exceptional environmental performances compared to the international regulations;
- the specially formulated plastic material, developed to be extruded as a sheath layer, that has the scope of neutralizing the H2S diffusing from the pipe bore before it reaches the flexible annulus and comes into contact with the steel wires;
- the electrically trace heated pipe-in-pipe (ETH-PIP), Technip's revolutionary solution for flow assurance which implies lower power generator at the topside, lower power consumption and allows possible replacement of methanol chemical injection in the long-term, yielding higher environmental performances and further Subsea operational savings; and
- the Morphopipe program that enables the insertion, within the flexible riser critical fatigue area, of advanced sensors providing live data for fatigue monitoring and prevention of failures, with an evident benefit in terms of asset integrity and environmental protection.

Furthermore, in 2014, Technip extended its internal network for technological collective intelligence, named Agora and already in place for R&D Centers, to Technip's Expert Network to facilitate the generation of technological innovations across the Group as well as sharing ideas and expertise. After a period of roll-out and testing, the system will be enlarged to include the contributions of all Technip's resources.

2.4.3. New Investments to Meet New Energy and Sustainability Challenges

Consistent with the approach of pursuing innovation, sustainability and competitiveness, Technip makes continuous investments to expand or create new manufacturing plants in line with the highest quality, health, safety and environment standards.

The new state-of-the-art Flexibras plant in Açu (Brazil) was built to manufacture highly technological flexible pipes, able to ensure longer service life (for up to 30 years), sour service application, resistance to high pressures and ultra-deep water and harsh environments. During the design phase, an environmental expert team thoroughly reviewed the processes and systems to implement eco-design and sustainable solutions that go beyond compliance with legislations and reach the goal of saving natural resources, while protecting people and the environment.

The site has a modern effluent treatment plant: a water treatment plant to ensure the quality of groundwater extracted, groove containment for oil and oil-water separation, ventilation system and natural lighting in the production sheds, rainwater collection for toilet flushing, solar hot water systems, collection-segregation and waste management facilities.

The upgrade and expansion of the Flexi France facility in Le Trait, France, which will be subject to an energy efficiency audit in 2015 to identify possible enhancements of current high-level environmental practices or new sustainable design solutions, is going in the same direction.

With reference to Technip's Vessels, several measures for energy and fuel saving, marine operations' optimization and emissions' monitoring and control were put in place.

The implementation of specific shipboard energy efficiency management plans, allowed to identify and apply a wide range of energy efficiency and CO_2 emissions reduction methods, including but not limited to, improved voyage planning, speed and power optimizations, engine monitoring, hull and propulsion system maintenance, optimized ship handling and enhanced combustion efficiency.

2.4.4. Strengthening Leadership on Biofuels, Green Chemistry and Carbon Capture

In 2014, Technip strengthened its leadership in the second generation of biofuels and in sustainable chemistry, as well as in carbon capture and storage; all sectors where the energy market is investing to respond to the challenge of reducing emissions and using bio-based feedstock, which are not competing with the food chain.

Further to the delivery by Technip of the two largest renewable diesel plants in the world (800,000 tons/year each) built in Singapore and Rotterdam for Neste Oil, in 2014's fourth quarter, Technip entered into an alliance agreement with Biochemtex to provide engineering, procurement and construction services for second-generation bio-ethanol projects.

Biochemtex is the one and only engineering firm entitled to build cellulosic ethanol plants powered by Proesa™, that allows it to produce second-generation biofuels using non-edible biomass, such as rice straw and sugarcane bagasse.

In addition, Technip was awarded an EPC contract by Cargill for a biomass ethanol production unit in Germany.

This consolidates, once again, Technip's leadership in the bio-based industry and enables Technip to be well positioned in the Projects of green chemistry and conversion of existing plants in bio-refineries, which are more socially and environmentally sustainable, since they use non-edible raw material of vegetable origin and are more integrated into the local agricultural and economic context.

Another example of Technip's successful performance in cutting-edge processes is the partnership with Cansolv (wholly-owned by Shell) that is developing a new carbon capture technology that allows to remove up to 90% of the CO_2 in the flue gas, simultaneously lowering SO_2 and NO_2 emissions. This technology was chosen by Shell/SSE for the Carbon Capture and Storage Peterhead project, for which Technip is performing a front-end engineering study (FEED), awarded in March 2014, after having successfully completed the pre-FEED stage.

3. Human Resources

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

Human Resources uphold each of the Group's four core values, as follows:

A community of women and men driven by shared Values

Doing the right thing

The right partners
(acquisitions, agreements, partnership)

The right initiatives and behavior
(promotion and respect of the ILO convention, standards and Charters)

The right people at the right place
(talent recruitment, mobility, succession plan, knowledge transfer)

Trusting the team

To foster cooperation and transparency
through social dialogue across teams and management

To motivate and empower others to achieve common objectives
(performance appraisals, career talks)

To believe in each person's contribution
(encouraging diversity as an added value to work performance)

Encouraging a fair return for all

To offer equal opportunities
to every employee regardless of gender or ethnic origin

To share profits sustainably
(incentives, Group savings plan...)

To encourage and support employees
to reach their maximum potential

Building the future

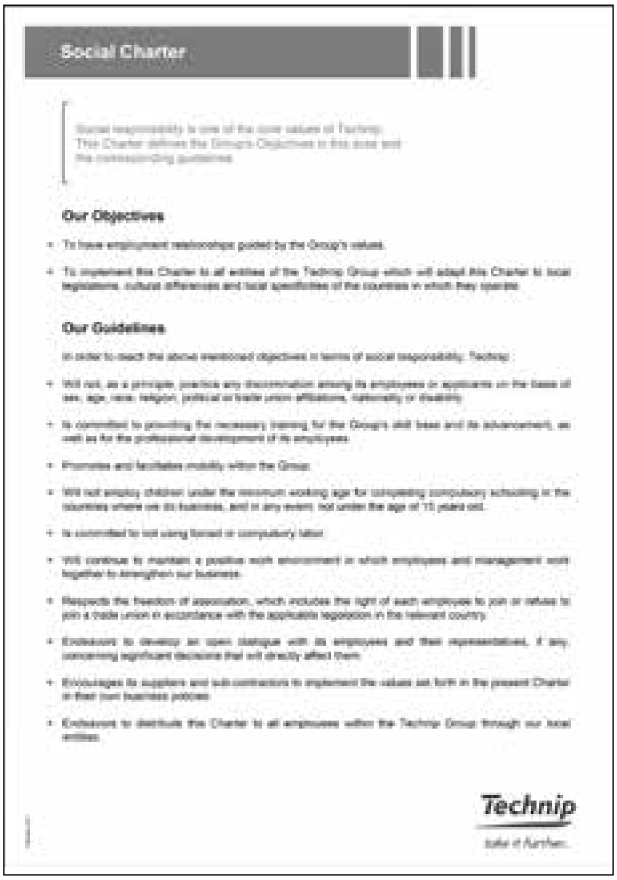
To build expertise and foster innovation
(training, expert network)

To commit to excellence
in quality and continuous improvement

To foster mentoring and knowledge transfer
(transgenerational projects)

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

Technip is committed to its employees and its employee objectives and guidelines are recorded in Technip's Social Charter. This Charter applies to all of the Group's entities that are responsible for tailoring it to local features and legislations.


Social Charter

Our Objectives

Our Guidelines

Technip

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

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

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

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

3.1. REPORTING SCOPE

3.1.1. Reporting Scope for Entities

The reporting scope is based on the financial and legal consolidation scope. This includes entities belonging to the Group as of December 31, 2014, including entities that were acquired or newly consolidated in 2014 (current scope).

For consistency purposes and to facilitate the comparison between two consecutive years, the reporting carried out on training and absenteeism does not take into account data collected from entities recently acquired or entities that have not been consolidated within the Group throughout the entire year (In 2014, the entities that were not consolidated represented 1%).

As of December 31, 2014, 84 legal entities had inputted their data through the Group's reporting tool.

3.1.2. Reporting Scope for Personnel

The scope covers personnel on payroll on permanent contracts (French "CDI" contracts) or fixed term contracts (French "CDD" contracts), except for the information set out in Section 3.2.1.b. to this Annex E of the 2014 Reference Document, which covers the total workforce. Trainees and apprentices are excluded from this scope.

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 and includes the following:

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

Subcontractors working on construction sites are not reported due to, on the one hand, the significant fluctuation in numbers during the rolling out of Projects and, on the other, their significant presence on large Projects.

Each table sets out the percentage of personnel covered by the reporting scope.

3.1.3. Consolidation Methodology

The indicators cover 100% of the entities for every topic, with the exception of Training and Absenteeism, which cover 99% of total headcount (excluding entities not present during the entire year).

Indicators are calculated on the basis of the Group's scope as of December 31, 2014. Sections relating to Arrivals and Departures, Absenteeism and Training cover the year 2014, in accordance to the scope of entities, as defined in Section 3.1.1 to this Annex E of the 2014 Reference Document.

3.1.4. Reporting Tool

Since 2006, a web solution has been implemented Group-wide to collect and consolidate quantitative and qualitative data in the realm of Human Resources.

3.1.5. Controls

External verification

The external verification process is assured by independent third party auditors as required by French Grenelle II law.

3.2. WORKFORCE

3.2.1. Changes and Organization

a. Main changes

In 2014, Technip carried out the following transactions involving Human Resources:

- sale of Technip TPS, an entity specialized in engineering and construction for the industry, to be in line with its strategy focusing on Energy, its core business;
- divestment with the sale of its majority share in Seamec Limited, India's leading provider of diving support vessel based diving services globally. This transaction enabled Technip, as part of its strategy, to concentrate on its core competencies involving deepest subsea complex, deepwater oil and gas developments;
- acquisition of Zimmer® polymer technology business, part of Air Liquide Global E&C Solutions in Germany. This new business will diversify and strengthen Technip's portfolio of downstream technologies in its Onshore activity;
- acquisition of a majority stake in Inocean, a strategic cooperation to further develop offshore floater engineering services for the Norwegian continental shelf and other offshore markets worldwide; and
- decision of cease the activity Offshore Renewables in the United Kingdom, following completion of all current Projects, to be in line with Technip's aim to strengthen its leadership in the oil and gas industry.

b. Breakdown of total workforce per contract

Breakdown of total workforce by contract	December 31, 2014 (1)	2013 (1)	2012 (1)
Employees on payroll	**32,367**	**32,243**	**30,241**
Permanent employees	28,862	28,593	26,279
Temporary employees (fixed-term)	3,505	3,650	3,962
Contracted workforce	**5,930**	**6,588**	**6,267**
Contracted workers at industrial sites and fleet	1,778	2,537	2,749
Other contracted workforce	4,152	4,051	3,518
TOTAL WORKFORCE	**38,297**	**38,831**	**36,508**

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

At year end 2014, the total workforce decreased by 1.4% compared to year-end 2013, with a stability of permanent employees (+269 persons) and a decrease of contracted workforce (-658 persons), particularly for contracted workers at industrial sites. The following variations were observed:

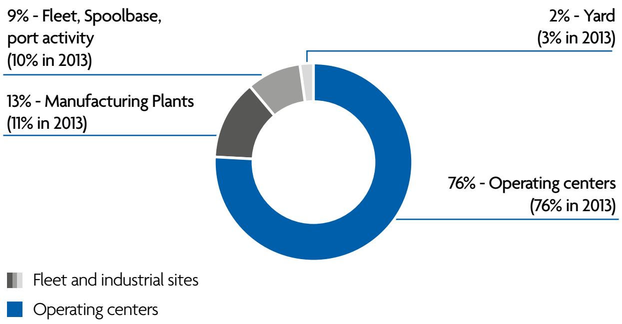
- an increase of permanent employees in Brazil, with the development of the Açu plant;
- an increase of permanent employees and contracted workforce in France, where Projects needed additional workforce;
- a decrease of permanent employees and contracted workforce in:
  - Finland, at Pori construction site, where the impact of the decrease in activity, which began in 2013, continued in 2014. Visibility on 2015 remains uncertain;
  - Asia Pacific, the United States and Mexico, due to restructuring in 2014, with the aim to adjust workforce to Projects in a tight market;
- a decrease of contracted workers at industrial sites, due to the divestment in Seamec Limited in India.

In 2014, temporary employees represented 11% of the employees on payroll, a steady percentage compared to that of 2013.

In 2014, the average number of contracted workers was 6,381.

HEADCOUNT STRUCTURE (AS OF DECEMBER 31, 2014)

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

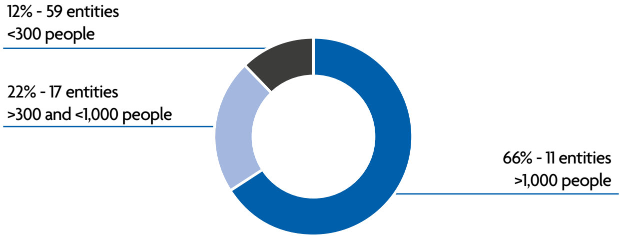


The chart above illustrates the diversity of operations and of total workforce Group-wide.

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.

The "Manufacturing plant" part is increasing with the development of the plant of Açu (Brazil) while the "Yard" part is decreasing due to the low level of activity of the construction yard in Pori (Finland).

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



The breakdown of Technip entities demonstrates that two-thirds of employees are grouped in only 11 centers, which means that HR processes and tools can be rapidly put in place in the Group's principal centers to cover a majority of employees. Conversely, it takes more time to cover the rest of the entities as two-thirds of the Group's entities (59 of 84) have less than 300 employees.

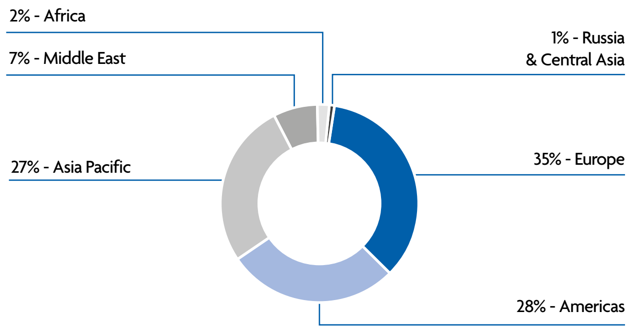
The two largest entities after France are based in the United States and India.

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

	December 31,		
Breakdown of employees by geographic zone	2014 (1)	2013 (1)	2012 (1)
Europe	11,331	11,239	10,551
Americas	8,941	8,924	9,054
Asia Pacific	8,662	8,690	7,827
Middle East	2,354	2,427	2,011
Africa	791	737	555
Russia & Central Asia	288	226	243
TOTAL EMPLOYEES ON PAYROLL	**32,367**	**32,243**	**30,241**

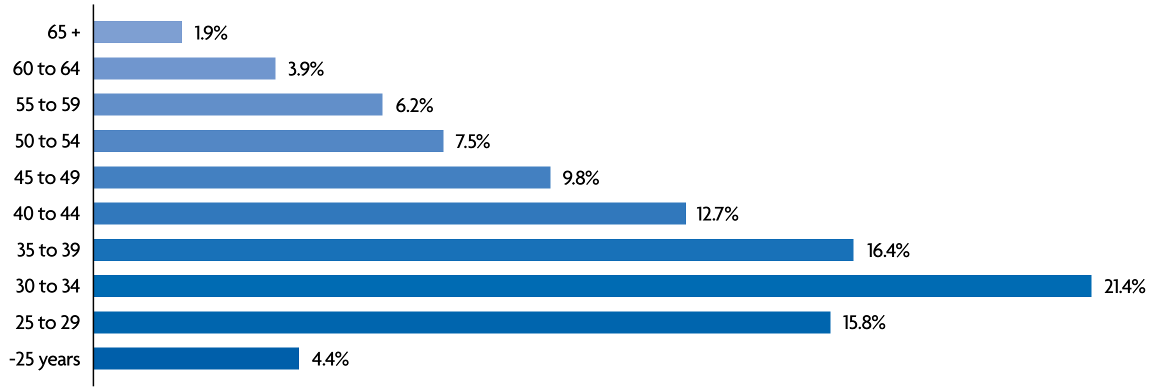
(1) Coverage rate: 100% of employees on payroll.

Employees per geographic zone



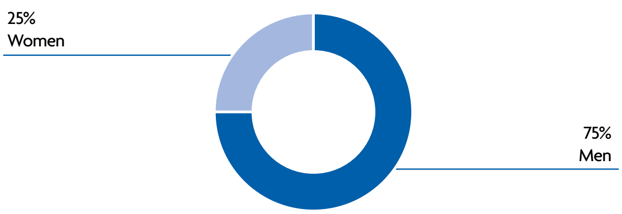
Compared to 2013, each geographic zone was quite stable, with a variation not exceeding +/-0.2 percentage point.

Age pyramid in 2014 (by range in %)



In 2014, since half of the recruitments were experienced profiles, employees aged between 35-50 years old increased by 1.4 percentage point, compared to 2013.

Employees per gender



Compared to 2013, the percentage of women employees was stable.

In 2015, Technip will continue to face the challenge of attracting, retaining and promoting female into the oil and gas engineering sector, which is seen as being male-dominated. See Section 3.4.1 to this Annex E of the 2014 Reference Document for more details on Diversity initiatives.

d. Organization of working hours

Working time	December 31, 2014 (1)	2013 (1)	2012 (1)
Number of full-time employees	31,747	31,637	29,666
Number of part-time employees	620	606	575
Number of employees working in shifts	2,908	2,972	3,400
Overtime hours (France and main headquarters)	1,115,298	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 remained stable at 2% of the employees on the payroll.

The Group's smaller entities record their time manually. Consolidation of overtime hours is therefore limited to main headquarters. Between 2013 and 2014, the decrease in overtime was essentially based in Asia Pacific due to a decrease in workload and Projects.

3.2.2. Employment

a. Hires and departures

Payroll employees: hires & departures	2014 (1)	2013 (1)	2012 (1)
Hires	**6,240**	**7,055**	**7,651**
Permanent employees	3,852	4,611	5,027
Temporary employees (fixed-term)	2,388	2,444	2,624
Departures	**6,085**	**5,595**	**4,295**
Permanent employees	3,993	2,964	2,772
Temporary employees (fixed-term)	2,092	2,631	1,523
Renewal rate of permanent positions (2)	**0.96**	**1.56**	**1.81**

(1) Coverage rate: 100% of employees on payroll for entities present in the Group as of December 31, 2014.

(2) Start/termination of permanent positions.

The variation in the renewal rate is mainly due to the impact caused by departures (+765 employees) and hires (-715 employees) due to downsizing and restructuring activities in Asia Pacific, USA and a slowdown in activities at the Pori construction site.

b. Recruitments

Breakdown of hires per age group – payroll employees	2014 (1)
< 30 years old	35%
≥ 30 to < 50 years old	52%
≥ 50 years old	13%

(1) Coverage rate: 100% of employees on payroll for entities present in the Group as of December 31, 2014.

Breakdown of hires per gender – payroll employees	2014 (1)
Women	20%
Men	80%

(1) Coverage rate: 100% of employees on payroll for entities present in the Group as of December 31, 2014.

Technip continues to invest in recruitment for all of the positions offered by the Group, with a strong focus on Project management, as well as experienced technical competencies. Furthermore, Technip continues to focus on the future of its workforce by hiring and developing young graduates. This strategy promotes a greater diversity of abilities and fosters enhanced career management and progression.

In 2014, a third of the recruitments were of employees below the age of 30; among which, 679 were recent graduates (for whom Technip was their first employer) which represented 11% of total recruitments. Half of the recruitments are experienced employees.

An online recruitment tool, which forms part of the HRWeb solution, is used by the Group's entities, to publish all vacancies to employees on the Internal Job Portal. This same tool is connected to Technip's Career Pages on www.technip.com, allowing recruiters to push offers to external candidates where necessary. In 2014, more than 370,000 applications were received, which approximately represents a 28% increase.

ACCOMPANYING GROWTH WITH RECRUITMENT

The size and complexity of some Projects cause challenges for Technip's Human Resources.

The majority of the Group's entities face difficulties in recruiting experienced engineers, due to the scarcity of these profiles within the labor market.

To address this issue and to promote growth, in addition to the Job Portal tool for recruitment, the Group had to implement the following solutions:

Use of social media

Technip increased its presence on social media by developing its dedicated careers page on LinkedIn to target new talents. Technip's Corporate page has more than 280,000 followers, of whom 95% are not Technip employees. 24 Technip recruiters hold a license to use LinkedIn and all of them have received dedicated training.

In 2014, Technip created a "careers" tab on its Facebook page. At the end of the year the corporate page counted more than 30,000 fans.

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

Twitter is now also used for attraction and recruitment purposes by sharing one job opportunity per week.

Use of employee referrals

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

Careers fairs and school partnerships

At local level (for example in Abu Dhabi, France and the United States), many partnerships were set up with various universities to inform students about Technip's operations. In 2014, job fairs were organized within universities in North America, Asia and Europe.

Outside of the university world, 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.

In France, Technip Group has developed a specific partnership with the IFP School which is part of IFP Energies nouvelles. In addition to the local apprentices selected by Technip France, a few students are sponsored to come to France to undergo a combination of academic training within IFP School and placements in Technip entities in France or another European country to provide students with the opportunity to see firsthand the application of theory to a live project environment. Upon successful completion of the program and based on business needs, the students are given the opportunity to join Technip upon their graduation. In 2013-2014, five students were sponsored by Technip.

Throughout 2014, on average, Technip employed 353 interns and 399 apprentices.

"TOP Employer" label

Since 2011, many of the Group's entities have been certified as a "TOP Employer". In 2014, 19 entities were awarded this certification, among which eight are in Europe (Germany, Belgium, Spain, France, Italy, Norway, the Netherlands and the United Kingdom), three in Latin America (Brazil, Colombia and Venezuela), seven in Asia Pacific (Australia, China, Indonesia, Malaysia, Singapore, Thailand and Vietnam) and the United States. Furthermore, two continents were declared TOP Employer: Asia Pacific and Europe. Entities and Continents are certified by the Top Employers Institute to reward them for their excellence in Human Resources practices according to five criteria: Primary benefits, Secondary Benefits & Working conditions, Training & Development, Career Development and Management Culture. Data checks and interviews are part of the independent audit process.

STRATEGIC WORKFORCE PLANNING

Strategic Workforce Planning is a systematic process for understanding the workforce required to implement future business strategy, by identifying and addressing the gaps between the current and future workforce resources and needs. The main aim is to limit and mitigate risks related to labor shortage for key positions and the need for the ability to staff-up and staff-down in a responsive and nimble manner.

In 2013, a pilot initiative was launched on Workforce Planning, to bring awareness and change mindsets from a reactive to a proactive approach. This initiative was sponsored by the Offshore Senior Management and executed by the local and regional Management of the entities involved, with the cooperation of Human Resources (at Corporate, Regional and Local level).

In 2013, the pilot initiative covered 11 positions, based on criticality, for the Offshore business. In 2014, this was further increased with another 20 positions, covering both Onshore and Onshore/Offshore positions (multi-activity resources).

The results have shown that there is a real business need for a more systematic approach on Strategic Workforce Planning within Technip. Hence, as part of HR 2017, the new Human Resources three-year plan that will begin in 2015, this will be one of the key initiatives.

This initiative will focus on three main elements:

- know Technip's workforce: aimed at creating a better understanding of our existing workforce using an integrated and systematic approach on workforce analytics;
- anticipate workforce gaps: aimed at developing and implementing a methodology that can forecast the demand and supply requirements of Technip's future workforce; and
- shape Technip's workforce: aimed at finding a balance, to ensure that Technip employs the right people, at the right place, at the right time and for an appropriate cost.

c. Departures

Reasons for departures (permanent employees)	2014 (1)	2013 (1)	2012 (1)
Voluntary reasons for leaving (resignations, retirements)	2,284	1,997	2,008
Lay-off/redundancy/dismissal	1,308	597	440
Transfers between entities	195	174	135
Other reasons	206	196	189
TOTAL	**3,993**	**2,964**	**2,772**

(1) Coverage rate: 100% of permanent employees on payroll for entities present in the Group as of December 31, 2014.

In 2014, the increase in lay-offs/redundancy/dismissal is mainly the result of downsizing and restructuring procedures, decreased activity at the Pori construction site in Finland and the impact resulting from the cease of the Offshore Renewables activity in the United Kingdom.

In 2014, the global turnover of permanent employees (14.2%) increased by 3.5 percentage points, mainly due to reorganizations that occurred during the year, such as the sale of Technip TPS, the divestment in Seamec and restructuring in Asia Pacific, the United States and Mexico. The global turnover is the ratio obtained from aggregate departures on average permanent employees in 2014.

In 2014, the resignation rate increased by 0.7 percentage point, especially in Asia Pacific. In others countries, notwithstanding the challenging context, all the measures implemented to retain talents, continued to contribute to limiting resignations, in particular in India, which remains a challenging environment.

Parental leaves

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

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

As of December 31, 2014, 96% of the women and men who returned to work in 2013 pursuant to parental leave are still employed at year-end 2014.

3.3. EMPLOYEES' DEVELOPMENT: TALENTS AT THE CENTER OF TECHNIP'S STRATEGY

Recognizing and appreciating talents for them to develop

People lie at the heart of Technip, thus Talent Management is at the core of the Group's Human Resources strategy. Recruiting, developing and retaining talents are the main challenges for the Group's future and relevant HR processes and practices were implemented to meet these challenges.

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

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

Within the framework of "Human Resources without borders", a program that was part of the three-year strategic plan launched in 2009, Technip has implemented a wide range of Talent Management processes, which are performed on an annual basis. Some of these processes are managed as a campaign and others are performed throughout the year. Starting 2015, a new program, HR 2017, the new Human Resources three-year plan, will be launched. It follows three main objectives: (i) preparing for future challenges with initiatives such as workforce planning, competency mapping, deeper succession planning and renewed employer branding; (ii) reinforcing the approach to learning and career development, by strengthening Technip University and improving and extending its programs; and (iii) increasing the focus on work conditions and examining related policies across the world.

All these processes are supported by an HR information system that is accessible to all employees, managers and the Human Resources department, 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, to share and steer (where necessary) 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 and provides continuous training to all stakeholders involved in these processes.

3.3.1. Developing and Keeping Talent

a. People development

CAREER TALKS

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

All of the results of a Career Talk are uploaded to the HR information system, such that this information can be used during the other Talent Management processes. In 2014, the Talent Managers performed and captured over 1,500 Career Talks in the HR information system. In 2014, HR met 1,517 employees.

INTERNAL JOB PORTAL AND INDIVIDUAL PROFILE

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

The Individual Profile is an internal resume in which employees may indicate, among others, their current and previous work experience, education, language skills. This Individual Profile is 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 employee's mobility aspirations.

In 2014, 3,459 internal applications were recorded.

PERFORMANCE APPRAISAL

In 2014, a global performance appraisal process ran for the fifth consecutive year.

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 are processed into the system to ensure that the data is captured and the 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 following: (i) the evaluation of behavior related to the Group's four Values, (ii) the Learning & Development needs of an individual and (iii) the Career Aspirations, both short and long-term.

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

The 2014 performance appraisal campaign, closed by the end of February, 2015, covers 26,175 eligible employees. As of the date of this Reference Document, 97.5% of eligible employees had completed their annual appraisal, which represents an increase compared to previous years and reflects a strong employees' involvement in this process.

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

b. Promoting 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 goal of meeting business needs.

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

Three guiding principles describe mobility within the Group:

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

After three years of application, a complete review of the Group's Mobility policy and of its impacts was conducted to ensure the adequacy of its conditions. A review was carried out to clarify and optimize mobility conditions, in line with external practices and economic environment. It revealed that consistency had greatly improved and that Group policies had significantly contributed to the "One Technip" objective.

While Technip's expatriate population is similar to the Group's overall population in terms of average age and seniority, the following difference was noted: it counts proportionally twice as much high-performers and high-potentials, which is consistent with using expatriation as a career accelerator. However, gender diversity remains a challenge, as the expatriate population only counts 15% of women.

Mobility flows have globally increased in the past years, in parallel to workforce growth. Various challenges remain, especially transferring further knowledge during expatriation to reduce some Regions' dependence on skills and competencies that are available in others.

Breakdown of expatriates by home office	December 31, 2014 [(1)]	2013 [(1)]	2012 [(1)]
Europe	831	785	698
Asia Pacific	332	392	342
Middle East	239	172	177
South America	106	110	78
North America	89	66	72
Russia & Central Asia	9	3	1
Africa	2	2	1
TOTAL	**1,608**	**1,530**	**1,369**

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

The aggregate number of expatriates increased by 5%, mainly in Middle East (+39%) and North America (+35%). This increase is justified by the shortage of experts in the different geographic zones, which in turn has induced entities to call upon resources from the Group's entities in other countries.

60 nationalities are represented among the expatriates, which reflects the multi-cultural nature of the Group and 52% of entities assign one or more expatriates to other Group entities or sites.

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 business needs and to foster career development within the Group.

Breakdown of expatriates and inpatriates by home office	December 31, 2014 [(1)] Expatriates [(2)]	Inpatriates [(3)]
Europe	51.7%	42.2%
Asia Pacific	20.6%	25.4%
Middle East	14.9%	12.8%
South America	6.6%	7.1%
North America	5.5%	7.8%
Russia & Central Asia	0.6%	0.2%
Africa	0.1%	4.5%

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

5.0% 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 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 (+88%). 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.

c. Encouraging training

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

Its strategy is to develop employability in three key areas: Project Management; Leadership and Technical. The University's talent development programs are tailored to the talent management strategy and embedded in supporting processes. The University supports the delivery of transversal learning programs, for example on quality or risk management.

A Technip University Network, represented throughout Technip's Regions, manages the delivery of corporate programs to employees across the Regions and shares best practices. Skill-building for particular product lines is conducted by training organizations in Technip entities. Responsibility for training contractors and subcontractors rests with the entities.

Learning and development activities usually fall into the following categories: learning from experience, learning from others and learning from training.

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	Expert Forums	Classes e-Learning
Managerial	Assessments Development Plans Action Learning Projects	Peer coaching Interactions with *senior* executives	Classes Webinars

PROJECT LEADER DEVELOPMENT PROGRAM

Technip is an engineering company and is facing new extraordinary challenges as its business is stepping to new territories, technical challenges in two segments and higher expectation from its clients. Its important assets are its field-tested expertise and its human capital. Project Management population is the cornerstone of Projects execution excellence.

"Meet challenges" is one of the targets set by HR 2017, the new Human Resources three-year plan. To reach such target, priority is to reinforce Project management competencies and improve Project execution. In 2014, Technip organized regional Project Management (PM) days, pursuant to those held in September 2013. In those two to three days events, Project managers gathered together to share regional strategy and important messages from top management, to discuss, among others, strategies for improving management skills, ensuring QSHE success in Project execution, controlling Project risks, improving efficiency and reducing cost. In addition to presentations from Top Management, workshops and fairs, Fellow Executive Project Directors and Senior Project Management shared and transferred their experience in Project execution.

All members of Technip's Project management job family are invited to participate in the Project Leader 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 set.

Learning from Experience: Through the company's intranet, the University provides a "Project Management Development Planner", a reference catalog 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 acquired, 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 a larger scope.

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 get promoted to technical leadership positions.

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, the university facilitates expert forums where know-how is shared among participants.

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 develop their technical skills.

MANAGERIAL LEADER DEVELOPMENT PROGRAM

For those employees whose career aspirations include taking on general management positions 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 Group's core values, are the foundation of the Technip University's Managerial Leadership Development Program.

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: Since 2005, a flagship leadership event which provides skill-building has been held annually. Participants also attend webinars.

GROUP LEARNING MANAGEMENT SYSTEM

In 2014, the Group launched a learning management system in its HRWeb system. E-learning in a range of technical and functional topics is available to staff on payroll and contracted personnel according to need. Learning evaluation and certification may be competed online. Learning activity completed on the Group LMS is held on the employee's personal record.

The Group LMS is in pilot phase with Technip University and two participating entities. The purpose of the LMS is to provide a global tool for the selection, approval, management and recording of training activities.

Training of employees on payroll	2014 (1)	2013 (3)	2012
TRAINING HOURS BY GENDER (2)	**901,808**	**801,392**	**863,714**
Women (2)	218,213	194,921	N/A
Men (2)	683,595	606,471	N/A
TRAINING HOURS BY TOPIC	**973,449**	**874,472**	**863,714**
Technical training	297,080	301,162	226,864
Non-technical training (including management, cross disciplines, IT and certification)	309,557	216,895	294,770
Project management training	28,051	22,990	N/A
Health, Safety, Security (including "Pulse" training)	210,508	234,769	204,092
Languages	77,168	76,397	101,223
Human rights, ethics and Technip values awareness training	29,525	22,259	36,765
Others	21,560	N/A	N/A
NUMBER OF EMPLOYEES ON PAYROLL WHO BENEFITED FROM AT LEAST ONE TRAINING DURING THE YEAR	**25,678**	**25,153**	**23,402**
Women	6,509	6,622	5,635
Men	19,169	18,531	17,767

(1) Coverage rate: 99% of employees on payroll.
(2) Excluding "Pulse" hours.
(3) Adjustments made with reference to the 2013 Reference Document.

In 2014, the number of training hours increased by 11.3% (*i.e.,* +98,977 training hours) compared to 2013. Training was more focused on non-technical training including management, cross disciplines (*e.g.,* finance, communication skills and intercultural behavior), IT and certification.

In 2014, the number of women trained slightly decreased, but the annual average of training hours per female staff employee increased by 14% (*i.e.,* 34 training hours per year) which is close to the annual average per male staff employee (*i.e.,* 36 training hours).

Technip University delivered 6,918 hours of classroom training. Compared to 2013, the decrease by 1,500 hours is due to the new calculation of the classroom training hours, which does not take into account the time spent during lunch and break times, considering this is not part of the "classroom learning event".

In 2014, a total of 4,630 e-learnings hours were issued by Corporate. In 2014, new e-learnings, such as Malaria awareness and Global Quality program, contributed to an increase in these hours.

In 2014, an average of 80% of the employees attended training sessions (compared to 79% in 2013).

3.3.2. Talent Management: Organization and Processes

TALENT MANAGEMENT NETWORK

In 2014, Technip continued to strengthen the Talent Management Network (initiated in 2010) with monthly Development Committee meetings with all the Regional Talent Managers. During these meetings, Talent Management related topics were discussed, best practices were shared, potential fits between individuals and positions were reviewed and follow-up actions agreed.

The dedicated Talent Management tool ("Mercato"), developed in 2013, continued to be used to post and review business critical vacancies and available key people by the Talent Management Network to ensure efficient and effective follow-up.

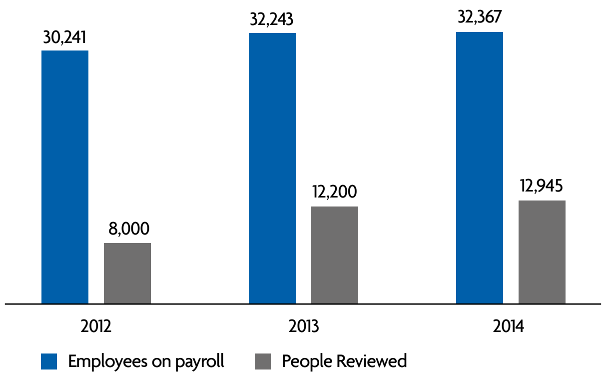
These actions were taken to further improve, stimulate and increase internal mobility and thus Talent development within the Group.

PEOPLE REVIEWS

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

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

In 2014, Technip conducted a large People Review campaign within the Group, covering almost 40% of the employees on payroll, *i.e.*, 12,945 people reviews.



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

In 2013, more than 2,730 staff members were promoted, *i.e.*, 9.5% of the permanent employees.

SUCCESSION PLANNING

Succession planning is a review and an inventory of skills that enables Technip to secure succession for these key and critical positions for the future.

In 2014, a strong focus was made on the succession planning for key senior positions across the Group and the identification of reservoirs of talents for five core positions (senior executive management, operations management, business development, executive Project management and country managers).

The results of the People Review process are strongly linked to the succession planning for key positions.

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

JOB CLASSIFICATION

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

2014 was a turning point for the job classification project, a project that started as part of the "HR without Borders" program. In 2013, Technip had rich and positive discussions with the social partners (trade unions and works councils) and received a renewed approval from Technip's senior executives for such a project. In 2014, extensive consistency checks were performed, support material for the roll-out of employees, managers and HR was finalized and such roll-out has started and will end in 2015. The communication roll-out is scheduled through the following three waves:

- communication to the Group's top management was successfully completed;
- communication to all managers is ongoing; and
- communication to all employees is scheduled to be further completed in 2015.

This approach allows each wave to ensure consistency across all of the Group's entities.

RETENTION

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

In 2014, Technip continued to offer long-term employee incentive plans consisting mainly of cash plans designed to develop loyalty and improve retention.

Additionally, HR information system alert module (implemented in 2010) helps anticipate the risk of attrition in the Group as well as taking all measures needed to retain employees within the Group. This alert module is primarily focused on individuals in critical positions, the Expert community and Technip's high potentials 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 2014, 249 alerts were raised and, in 43% of these cases, the employee was encouraged to continue his/her career at Technip.

Another retention measure is to retain talents hired under fixed term contracts: in 2014, 573 fixed-term contracts were converted into permanent contracts, demonstrating the continuous Group's willingness to retain talents.

3.4. DIVERSITY AND EQUAL OPPORTUNITY

3.4.1. Promoting Diversity

Gender diversity as a strategic business priority

Gender Diversity is an integral part of Technip corporate culture. In 2014, initiatives aiming to offer female employees a genuine possibility to realize their full potential demonstrate Technip's commitment. Gender Diversity is a strategic business priority for the following reasons:

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

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

Management of this strategic business priority

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

GOVERNANCE, ORGANIZATION AND RESOURCES

- The Chairman and CEO set out his personal conviction and commitment – internally and externally – to making Gender Diversity one of Technip's strategic business priorities going forward.
- The Board includes five women out of 12 members which illustrates the Group's commitment to gender diversity at the highest level.
- In 2013, the position of Vice-President Group Gender Diversity was created to reflect this commitment and start the process.
- A Governance Structure was put in place with a Gender Diversity Steering Committee and an Advisory Committee.
- The Steering Committee – which meets quarterly, to decide and take actions – is made up of the following:
  - two members from Technip's Executive Committee (the Group Human Resources Director and the President North Sea Canada Region);
  - the Group SVP Business and Technology Offshore;
  - the Director Marine Asset Operations (Subsea, Brazil);
  - the SVP and Group Chief Compliance Officer; and
  - the VP Group Gender Diversity.
- The Advisory Committee, which provides ideas and direction, is made up of representatives from all Regions and different levels of the organization.
- In 2014, two regional Women's Networks were developed and promoted:

- **WITH** (Women Initiatives for Technip): a network dedicated to diversity in Technip France. The network is organized into workgroups around four key topics on diversity: how to engage men in the promotion of women; how to encourage women to be self-initiating in developing their careers; how to animate the network; how to benefit from external initiatives and networks;
- **STRIVE** (Supporting Technip to Reach Its Vision for Equality): an employee member group, initiated in Technip Oceania. It is led by a nine-person committee to increase diversity and foster equality through five focus area groups: (i) Accreditations and Affiliations; (ii) Events and Networking; (iii) Procedures and Benefits; (iv) Mentoring; and (v)Training and Development. In February 2014, its launching event was held in Perth where commitment to certain local actions was shared. This initiative won the Jacques Franquelin Award, an annual Group event, for the category "Encouraging a fair return for all". The return on investment will see empowered, engaged and trusting teams, which in turn ultimately results in overall business, increased innovation, improved problem-solving and decision-making by the business, being a differentiator to competitors, improving reputation among customers, accessing a wider range of talent and retention of employees.

STRATEGY AND ACTION PLAN

A strategy and action plan for 2014 was endorsed by the Steering Committee with three main aspects: awareness raising, communication and measurement and tracking. The Action Plan for 2015 – based on the same strategy – was endorsed by the Steering Committee and will build on the actions taken during 2014.

AWARENESS RAISING

- A target setting to carry out Gender Intelligence workshops with the Regional Executive Committees of all Regions in Technip was completed by July 2014. The purpose of these workshops was to create a common understanding of the importance of this topic, to create a shared language around Gender Diversity and to identify the critical levers to becoming a Gender Intelligent organization. A total of 104 senior leaders in the organization participated in these workshops.
- Embedding Gender Intelligence in all recruitment processes and practices was identified as one of the critical levers for a Gender Intelligent organization and the Action Plan for 2015 will include training for those involved in the recruitment process to ensure that they apply this awareness to sourcing, interviewing and selection.
- In 2014, an initial 'Train the Trainer' workshop took place to bring capability and knowledge in house to cascade the Gender Intelligence workshops to the next level of managers. A cascade plan was initiated in three geographic zones (North America, Asia Pacific and the Middle East) in 2014 and will be extended to all Regions in 2015, following a further 'Train the Trainer' session. In 2014, the cascade to the next level of managers included 325 participants.

COMMUNICATION

During 2014, an internal and external communication plan was put in place and implemented to make visible and reinforce Technip's commitment to Gender Diversity, as follows:

- A Global visual identity was created for all internal and external actions and communication materials on Gender Diversity – "Gender Diversity at Technip".
- The July 2014 edition of *"horizons"* – the internal Technip magazine – focused on Gender Diversity featuring the overall strategy, action plan, internal women role models, gender diversity partners and key actions to date.
- In June 2014, Technip was a sponsor of the Global Summit of Women in Paris.
- On September 29, Technip held its first global Gender Diversity Forum in Paris attended by Technip leaders, Presidents and representatives from all Regions and external guests, including two of Technip's clients and partners on gender diversity actions. The purpose of the forum was to share what had already been implemented in the Regions, to help create a common understanding and gender-inclusive language and to create a vision for the future of Gender Diversity at Technip. The Forum was also the opportunity to celebrate some of the excellent achievements of women at Technip.

EVALUATION: MEASUREMENT AND TRACKING

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

- During 2014, Technip implemented Phase 1 of an assessment and certification process with an external global business standard for gender equality (EDGE – Economic Dividends for Gender Equality). Three countries participated – Brazil, France and Italy. The process involved collecting gender related data, completing a policies and practices questionnaire and an employee survey. As a result, Technip obtained certification (through independent external auditors) against this global standard and action plans were put in place to track future progress. In 2015, Phase 2 of this initiative will be launched to include Abu Dhabi, North America, Australia, Malaysia and the United Kingdom.
- In relation to the retention of female talent, the EDGE standard is: "60% of women in junior management should progress to top management". Technip aims to achieve this standard by year-end 2016 for countries Phase 1 (Brazil, France and Italy).

During 2014, an internal analysis of gender related data was carried out, where with the following KPIs were measured:

Breakdown according to gender	December 31, 2014 (1)	2013 (1)	2012 (1)
Managers (2)	3,710	3,747	3,337
Women	19%	19%	18%
Men	81%	81%	82%
Non Managers	24,723	26,108	24,061
Women	29%	27%	27%
Men	71%	73%	73%
Blue Collar employees (3)	3,934	2,388	2,843
Women	4%	7%	5%
Men	96%	93%	95%
TOTAL	**32,367**	**32,243**	**30,241**
Women	25%	25%	24%
Men	75%	75%	76%

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

Breakdown by geographic zone	December 31, 2014 [1] Women	Men
Africa	149	642
Asia Pacific	2,143	6,519
Europe	3,113	8,218
Russia, Central Asia	131	157
Middle East	297	2,057
North America	1,003	2,735
South America	1,139	4,064
TOTAL	**7,975**	**24,392**

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

In 2014, the percentage of women increased in the Middle East (+1.9 percentage point), North America (+1.3 percentage point) and Europe (+0.6 percentage point).

3.4.2. Promoting Cultural and Ethnic Diversity

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

In 2014, 118 different nationalities were represented in the Group (compared to 114 in 2013 and 109 in 2012). The most represented nationalities in the Group were French, Indian and Brazilian.

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

3.4.3. Equal Opportunity

a. Providing employment to people with disabilities

Technip continued to support initiatives in favor of people with disabilities. Compared to 2013, the number of employees with disabilities has risen from 0.8% to 0.9%. The registration of disabled people varies according to local legislation and relies upon voluntary declarations, which may result in a lower number of disabled people being recorded.

In 2014, 281 people were recorded as disabled in the Group. Disabled workers represent 0.9% of employees Group-wide on payroll and in particular:

- 5% in Italy where the Technip entity complies with legal obligations, due to last years initiatives;
- 4% in Germany;
- 3% in Belgium;
- 3% in Brazil, where, in 2014, the number of disabled workers increased by 12% and represents the highest number of disabled employees in the Group (104 persons). Brazil aims to achieve local legislation in this field; and
- 2% in France.

For maximum efficiency, the Group targets its efforts locally.

For example, in 2013, after the end of the two-year agreement with AGEFIPH, Technip France entered into, in the same year, a three-year agreement with trade unions in relation to the employment of persons with disabilities.

In 2014, the second year of the roll-out of the agreement, the main actions undertaken in this entity were as follows:

- Four disabled permanent employees and a trainee were recruited. Five employees may be retained in their current positions as the offices have been adapted to accommodate their disability;
- Partnerships with the sheltered sector, service providers that employ exclusively disabled persons were strengthened due to the involvement of various company roles and in particular 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 and through seminars. Employees showed increasing interest by not only attending the meeting, but also through active participating;
- Technip has participated in 13 specialized "job dating events" and forums to bring together Technip's recruiters and disabled job applicants;
- 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, three of them took the opportunity to be officially recognized as disabled by the company. This recognition allowed them to benefit from various technical devices to reduce the impact caused by 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 value and capitalize on the knowledge and expertise of senior employees. Their combined experience and knowledge is a priceless asset that the Group cannot afford to lose.

For several years now, the goal has been to create pathways of knowledge transfer. 6% of Technip's workforce is over the age of 60. The Group will continue its efforts in this area.

Moreover, in 2014, the number of employees hired over the age of 50 represented 819 employees, *i.e.*, 13% of total hires.

In 2013, Technip entered into a Group-wide framework agreement with a personnel agency. The objective was that the agency would provide 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 available for Offshore purposes and represent a pool of 40-50 experienced individuals.

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

3.5. COMPENSATION AND BENEFITS

3.5.1. 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 favourable 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 roll-out of the job classification system begun in 2014 and will end in 2015. Global annual salary surveys continue to be held annually. Technip continues to offer long and short-term incentives based on performance driven plans (with individual and collective targets). Managers have a vested interest in the success of its businesses/segments and the Group as a whole.

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

3.5.2. Compensation, Change in Compensation and Social Security Costs

a. Compensation and change in compensation

The Group's payroll expenses increased from €1,654.8 million in 2013, to €1,769.8 million in 2014. The Group's social security costs increased from €308.5 million in 2013, to €315.4 million in 2014.

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

b. Employee incentive and profit-sharing schemes

Pursuant to applicable law, French companies within the Group with at least 50 employees and that generate sufficient profits must distribute a profit-sharing amount on the Company's result to their employees. For financial year 2014, the total profit-sharing amount to be paid in France was estimated at €6.2 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	December 31		
In thousands of Euro	2014	2013	2012
Amounts allocated to incentive profit sharing (France, Spain, Italy)	21,990	15,449	19,715
Amounts allocated to mandatory profit sharing (France)	6,280	5,253	16,875

INCENTIVE PROFIT SHARING

For financial year 2014, several of the Group's French companies had an incentive profit-sharing agreement in place: Technip, Technip Corporate Services, Technip France, Flexi France, Seal Engineering, Cybernétix and Technip Normandie. Calculation methods vary for each company according to their business. The amounts distributed can be paid directly to the employee or transferred to the Group Savings Plan (PEG) or the Group Pension Savings Plan (PERCO).

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

For financial year 2014, the total amount of incentive profit-sharing paid in the Group's subsidiaries was approximately €21.9 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, 2014, the total amount invested in the PEG amounted to €147.6 million, including €60 million in the form of employee shareholding.

At any time during the year, members may invest into 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 build, 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, 2014, the total amount invested in the PERCO was €34.6 million.

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

3.6. SOCIAL RELATIONS

3.6.1. Strengthening social dialogue

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

Information of personnel

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

The Group's *"horizons"* magazine is distributed every quarter to all employees in three languages (English, French and Portuguese). Each issue of the magazine has 24 pages containing substantive articles and photo quality prints. The magazine features reports on the Group's strategy, promotes the work and achievements carried out by Technip's different operations and geographic regions and reinforces the "One Technip" collegiate culture.

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

The Group's intranet site contains all relevant information in one place about standards, procedures and Technip operations. The Group's intranet site is supplemented by local intranet sites for most of the Group's entities, in addition to specialized intranet sites which deal with subjects such as HSE (Health, Safety and Environment) and Human Resources. As part of its knowledge management initiative, Technip uses a collaborative intranet site which makes it possible for communities of technical experts to share best practice, know-how and key documents. Instant messaging and teleconferencing are available to facilitate discussions.

Labor relations and collective agreements

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

In 2014, 40 collective bargaining agreements were entered into in respect of 14 entities. 174 agreements were in force within 24 entities. The agreements cover the following topics:

Topics included in the 174 agreements	% vs. total topics
Working conditions	24%
Remunerations	23%
Health and Safety	20%
Equal opportunity	19%
Training	14%

The percentage of employees in the Group who are governed by mandatory collective agreements varies according to country. In the countries that have entered into ILO convention No. 98 (1), 58% of the employees benefit from collective agreements.

Company agreements in France

Technip entities in France have works councils, employee representatives as well as Health and safety committees. In 2014, 235 meetings took place which can be broken down by the following:

Breakdown of meetings by their nature	2014
Works councils	88
Employee representatives	83
Health and safety committee	64
TOTAL	**235**

As a result of these meetings, 21 entity-wide agreements were entered into in 2014. These agreements covered matters such as annual negotiations on wages, teleworking and work schedules.

European Works Council (EWC)

The EWC set up in 2005 includes 14 employee representatives in respect of 10 European countries and meets twice a year. In 2014, the meetings discussed and organized specific workshops on the Group's international mobility policy and the transfer of knowledge within the Group. The EWC has an intranet site which has been available to employees in represented countries since 2008.

Consultations/Negotiations with trade unions about changes to the organization's structure

In France, several reorganization projects have been put into action in respect of Technip's various legal entities in 2014.

On April 30, 2014, Technip sold its subsidiary Technip TPS, which had a headcount of 96 to WSP Group, a Canadian Group. After three consultation meetings, the Work Council unanimously approved this sale.

Flexi France purchased land surrounding the Le Trait plant from Cometra. In parallel, on January 1, 2014, all 28 former employees of Cometra joined Flexi France's payroll.

In France, following consultation with the Works Council and Committee for Hygiene, Safety and Working conditions, some re-organization steps took place. These steps did not result in the reduction of the headcount in respect of some entities. On June 1, 2014, five employees working for Technip Corporate Services' accounting department were transferred to Technip France. On October 1, 2014, four employees working in Finance and Planning Departments moved from Technip France to Technip Corporate Services.

In Lyon, 180 employees were able to move into a second building. Consultations were held in 2013 regarding this project.

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

In the Subsea segment, from July 1, 2014, Cybernétix and Cyxplus operate under the Technology Center of Rueil.

A restructuring plan started in 2013 in respect of **Technip Offshore Finland** and also covered the year 2014. At the end of the year, 160 employees were temporarily laid-off. Visibility as to what will happen in 2015 is still uncertain.

Technip Offshore Wind, is specialized in Offshore Renewables activity in the United Kingdom and employed 200 persons in early 2014. As a result of the unfavorable market for this type of operation and the non-profitable nature of Technip Offshore Wind, Technip decided to stop this operation. During mid-2014, a collective consultation took place regarding the proposal to close down the operation after completion of its current commitments. In parallel, 20 employees were able to be transferred to other entities within the Group.

Encouraging transparent discussions with employees

Following the release of Technip's annual results in February 2014, an online chat was organized to enable Technip employees to speak directly to Thierry Pilenko, Chairman and CEO and Julian Waldron, Group Chief Financial Officer. For one hour, the two Group leaders answered questions. Their responses were published in English, French and Portuguese.

This initiative which started in 2012 and was repeated in 2013 and in 2014 has raised sustained interest across Technip: 4,300 employees connected to and followed the online discussion and over 320 questions were raised during this online event.

A transcript containing questions and answers from the online discussion was made available to all employees after the event and was published in three languages. This allowed employees who were unable to attend the online discussion to access the transcript afterwards. More than 4,500 employees accessed and read the transcript.

Initiatives of this type are designed to promote direct and interactive communication between employees and the management team. They give employees the opportunity to ask their questions directly, as well as to gain insight into the Group's 2014 performance and its forecasts and priorities for 2015. It is also a great opportunity for teams to better understand the Group's strategy, to seek clarifications and to allow employees to express their ideas and concerns. Overall, it is a good way to get people talking internally, as required by the "One Technip" approach.

The Jacques Franquelin Award is an annual Group event, which has taken place since 2000 and is intended to encourage and reward those who, by fully living and applying the Group's values, contribute to the company's dynamism and development across all fields. The Award symbolizes the spirit of competition and diversity within Technip. It also enables Technip, as an international 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. Since 2000, a total of 2,325 entries have been submitted and 284 awards have been given out.

Four years ago, Technip conducted its first internal survey about the Technip brand. From the information collected, Technip renewed its brand identity which is now based on its vision, mission and four Values.

In 2014, the survey was reconducted internally to measure Technip's progress, in particular, regarding how Technip expresses itself through its stakeholders and how the company is perceived by employees. Entitled "2014 Technip Brand Identity survey", it offered employees the opportunity to share their views on the state of our brand. 6,230 employees participated in the survey, which represented a response rate close to 20%. The employees highlighted positive improvements made since the 2010 survey in their answers and specifically expressed their understanding of and commitment to the Group Values.

3.7. HEALTH: RISK PREVENTION AND ENCOURAGING WELLBEING

The health of Technip's employees and persons affected by its operations is a core value and absolute commitment for Technip. As the Group operates in different countries with specific environmental conditions, operations and regulations as well as exposure to work-related health hazards, it is essential to have a health management system in place to safeguard employees' health.

Since the end of 2011, the health strategy has been based on a Health Management Plan, a formal document which defines Technip's standards and required occupational health practices to improve the health prevention and promotion of health at work. The implementation of the Health Management Plan started in 2012. Guidelines (GL) and tools in respect of the HSE requirements have been published to support the management of HSE and HR. The GL currently available cover subjects such as medical management on construction sites and vessels, Health Risk Assessment, a medical emergency response plan and first-aider training and fitness to work abroad.

Standards and guidelines are continually reviewed to make sure they remain appropriate in promoting regular improvements.

At Group level, a medical doctor and medical officer coordinate health management. They also work with the Regional medical, HR and HSE global networks across the Group.

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

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

2015 objectives

- Pursue the long term strategy for Health Management in the Group's business operations;
- Further improve the implementation and follow-up of health risk assessments on all sites across the Group;
- Start the health surveillance process where necessary, following health risk assessments; and
- Improve the quality of the reporting of the health performance indicators described in the Group's processes.

Group-wide health management plan implemented

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

The GL, released in 2012, helped a number of sites to set up their health risk assessment (HRA) in 2013 and 2014 by providing them with tools to do so. Other sites will continue to implement the GL in 2015.

The principle of the HRA is based on different steps: the first step is to identify the health hazards in each workplace and to assess their potential impact on health and the second step is to identify groups of employees exposed to such risk. The third step consists of an action plan to implement all types of mitigation and prevention steps, in addition to the assessment of the level of residual risks (Technip risk Matrix, which is part of the risk management of the company). Step 4 consists of risk monitoring and controls. Each HRA will be updated annually (step 5). Every Technip site (including offices, construction sites, yards, factories and vessels) must work on their local HRA.

All information, including the findings, is reported in the Health Risk Assessment table (or equivalent document). This is to ensure that employees can benefit from the best risk-based health surveillance, in accordance with international recommendations and national regulations.

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

At year-end 2013, some Key Performance Indicators (KPI) in relation to Health Risk Assessment were established to assess the work at Regional level. Reporting of the KPI has started in 2014 and will continue to be carried out with the objective of analyzing the results in 2015.

Protecting travelers and expatriates

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

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

Health alerts are issued where necessary. In 2014, 15 of such alerts were issued, providing information and advice on prevention.

In 2014, the outbreak of the Ebola virus has been an important issue for the company. Although Technip has no entity in the three main affected countries (Sierra-Leone, Guinea and Liberia), employees have raised many questions related to Ebola and the risk of the disease throughout the world. Information was posted on the medical intranet site and alerts and updates have been regularly published. Action plans and prevention plans, including induction programs, were provided to the entities, fleets and Projects working in Sub-Saharan Africa.

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 2014, medical surveys were conducted in Algeria, Angola, Myanmar, China, Ghana, Indonesia and Philippines. The purpose of the survey was to provide Projects and entities with an overview of medical care available around the site and to identify the most reliable local medical facilities to include in the Medical Emergency Response Plan (MERP). These surveys also provide information which can be used for medical management plans for new Projects.

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

Putting wellbeing in the spotlight

For the 2014 Technip World Health Day, all entities organized an awareness campaign about insect-borne diseases using posters, information leaflets also available on Technip's medical intranet site and through workshops. All employees were informed of this event a few days before through the internal newsletter *"Technip in motion"*. Many entities invited healthcare experts to talk about the importance of preventing insect bites in order to avoid several infectious diseases, including Malaria and dengue fever.

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

In October 2013, a global academic survey was launched by the Group's HR department on the wellbeing of employees working in a global environment. The purpose of the survey was to study the professional experience and wellbeing of global employees and to identify factors leading to the success of employee wellbeing. The results were released at the end of 2014 and suggestions for improving the effectiveness of global work and mobility experiences will be discussed with HR management in 2015.

In parallel, a new global academic survey on wellbeing at work will be launched in 2015. The purpose of this survey will be to provide an opportunity for assessing wellbeing in the various countries of work, to highlight ways of improving wellbeing and to provide a benchmark between the entities.

3.7.1. Absenteeism (excluding acquisitions)

Absenteeism rate [1]	2014 [2]	2013	2012
Occupational illness	0.03%	0.01%	0.01%
Occupational injury	0.04%	0.04%	0.03%
Non-occupational illness/injury	1.79%	1.83%	1.75%
TOTAL (ILLNESS/INJURY)	**1.86%**	**1.88%**	**1.79%**

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

Absenteeism information only covers personnel who are on payroll. More thorough information including contracted workforce is to be found in Section 3.8 "Safety" to this Annex E of the 2014 Reference Document.

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

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

In 2014, the rate of absenteeism was quite stable in comparison to the rate in 2013, despite a slight increase in absenteeism resulting from occupational illness:

- 52 cases of occupational illness have been reported in the Group, such as ear infections in divers, muscular-skeletal disorders and work-related stress. In 2012, the definition of occupational illness was reviewed to clarify the understanding of this indicator and to harmonize reporting in the Group. This is independent to the reporting carried out to meet national regulations. This indicator is better reported since 2012;
- in 2014, 185 injuries were reported covering a total of 2,848 working days lost. This year, the figures have been better declared due to the clarification made in the definition of the calculation of absenteeism and a better understanding of this indicator by the entities from year to year.

15,728 medical examinations were completed, 4,418 of which were pre-employment "fitness to work" examinations for newly hired employees.

Medical examination requirements vary depending on the country. Following a period of sick leave, 791 employees had a medical evaluation. Pre-expatriation medical evaluations and follow-ups are carried out for the duration of the expatriate's 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.

3.8. SAFETY

Protecting individuals at all times

Health and Safety as well as the protection of the Environment are core values and an absolute commitment for Technip and a priority in the Oil & Gas industry. For several years and by carrying out numerous initiatives across its operations, Technip has relentlessly focused on improving employees', contracted staff and suppliers' working conditions across the Group in terms of health, safety and protection of the environment.

Objectives for 2015

In 2015, Technip will continue to focus on the challenges and related objectives that are addressed in the three-year roadmap.

These objectives include but are not limited to:

- the further improvement and development of performance standards to manage Technip's Key Risk Conditions across the Group in all operations and to continue to focus on the prevention of serious incidents;
- continuing to implement the Pulse HSE Leadership Program and further increase the visible leadership shown by management on HSE in the field or on-site through visits and HSE tours;
- the further implementation of Technip Behavior-Based Safety Programs across the Group; and
- placing a strong focus on contracted staff management.

Prevention of serious injuries

In 2014, Technip continued to implement measures to reduce serious injuries and fatalities and successfully implemented five group-wide performance standards for Working at Height, Lifting and Rigging, Entry into Confined Spaces, Excavations and Trenching and Roads and Travel Management, to further harmonize the management of the main high risk activities. Technip's 12 Safety Actions complement the technical performance standards and provide Technip's workforce and contractors with practical mitigation measures and guidance to further minimize their remaining risk exposure related to work involving those activities.

Despite all efforts already made, three subcontractors suffered fatal injuries in 2014. As a result of these fatalities, Technip has decided to further reinforce its actions in this particular field in 2015. Doing the right thing is a core value for Technip and HSE means ensuring that no-one's life is put at risk in the workplace.

In order to ensure that the highest priority and management support is given to minimize the causes of incidents that have the potential to lead to serious injuries or fatalities, the Technip Group Top Management started to review all cases within 10 days from their occurrence and ensures the necessary support for investigation and the implementation of mitigation measures to avoid reoccurrence.

The Pulse Leadership Program

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

Since 2008, more than 42,000 Technip employees and contracted staff have attended Pulse sessions, ranging from senior managers and managers/supervisors to the general workforce and engineers.

The implementation of the Pulse Leadership Program plays a major role in improving HSE performance. The target set in 2013 was to ensure that 75% of Technip's population will be covered by this program by the end of 2015. Due to the ongoing efforts made, Technip is confident to meet or exceed this target by year-end 2015. In addition to this, Technip will continue to involve its clients, suppliers and subcontractors, as well as everyone working on Technip Projects.

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 has implemented the Pulse Leadership Program over the past few years and bespoke Behavior-Based Safety (BBS) programs in Technip's main Regions and their Projects, assets and Manufacturing Units. Those Behavior based programs supplement the Pulse program by using a bottom-up approach that reinforces safe and discourages unsafe behaviors in the workplace. This program uses a peer to peer approach which applies research-based techniques to identify and remove the causes of unsafe behaviors. In 2014, Technip conducted a full analysis of all BBS Systems and defined a common framework to further harmonize and improve approaches throughout the Group's activities. In 2015, Technip will continue to focus on implementing and improving the BBS programs for plants and assets under involvement of Technip's subcontractors. To this end, Technip will ensure that:

- all individuals within the Technip organization regard 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 their call of duty.

Coverage

Technip's basic principle to determine which indicators and hours are recorded and reported, for HSE purposes is (i) whether Technip owns or manages the site in question and (ii) whether Technip is responsible for managing the work.

The data provided in this section covers the following:

- all Technip employees and all contracted staff working at Technip premises including offices, factories, construction sites, yards, vessels and directly managed temporary sites;
- all contracted staff, subcontractors and Clients working at Technip owned and managed premises;
- all contracted staff and subcontractors working at their own premises or sites where Technip is providing management and/or direct supervision of the work;
- all hours and incidents in a Joint Venture (JV), where Technip is the JV leader or where management of the Project is equally divided and responsibility for HSE outcomes is equally shared and/or Technip is responsible for the HSE management of the overall work; and
- in respect of JVs where Technip is not the leader nor responsible for overall HSE management, only hours and incidents in respect of the elements for which Technip is responsible.

Technip's safety performance

In 2014, a total of 202 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, significantly decreased from 0.26 in 2013 to 0.19 in 2014.

The improvement of the TRCF as well as the strong improvement of the Serious Incident and Fatality Frequency (SIFF) from 0.14 to 0.12 demonstrates that Technip has continued to improve the Systems and Processes in addition to the HSE culture.

Technip's safety performance	2014	2013	2012
Total Recordable Case Frequency (TRCF) (1)	0.19	0.26	0.24
Lost Time Injury Frequency (LTIF) (1)	0.06	0.08	0.05
Leadership & Management Walkthrough Frequency (1)	8.84	7.8	8.84
Fatal Accident Frequency (1)	0.003	0.002	0.000
Serious Incident and Fatality Frequency (SIFF) (2)	0.12	0.14	0.15
Lost Workday Severity Rate (3)	3.64	3.63	2.43

(1) The frequencies are calculated by every 200,000 hours worked. Incidents as defined by OSHA standards are considered. The cut-off date is 12.31.2014. Data from 2013 has been updated with the latest available data.

(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 serious Injury or fatality including Near Miss Incidents.

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

3.9. SECURITY

3.9.1. Security: Ensuring the Security of Employees and Operations Across the World

Due to the current international context and the potentially high risk areas in which Technip's Clients operate, Technip has concentrated on Security for several years.

Technip's Security Division maintains its focus on delivering harmonized and efficient security conditions for all Technip staff and operations. Technip Security permanently monitors the security measures which are implemented within local and regional entities.

The aim of the Corporate Security Division is to provide transparent information on the risks and security measures in order to obtain the support of all Technip staff.

In this context, the Security Charter highlights the objectives and the ways in which the Group ensures that Technip achieves one of its core values: the security of people and assets and the protection of information.


Security Charter

Our Objectives

Our Guidelines

Technip

To ensure that Technip staff feel safe wherever they work, Technip's 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 or chartered by the company.

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

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

Finally, this strategy is based on the transparency and quality control of processes by the Group Security Auditor.

Reporting scope

The security framework covers all Technip's entities including Projects and fleet in a uniform and continuous manner.

Prevention and protection measures implemented by the Group are extended to all of Technip's employees.

Common work agreements are set up for joint ventures, however, responsibility for security management is only given to entities or individuals who are Technip Security Certified to ensure the quality of our processes.

All Group entities and vessels identified by the Group Legal Division and in organization notes have a security correspondent and/or a security team working in conjunction with the Group Security Department at Corporate level in order to implement its guidelines.

Major Projects and those located in level 3 risk countries (according to Technip's internal ranking) have an organization dedicated to Security. Depending on the provisions set out within the contracts, subcontractors may be covered by security measures set up by Technip.

As the Yamal LNG Project is major for the Group, Technip Security has set up an innovative 360 degrees feature: the Joint Operating Center (JOC). The JOC is a single point of inquiry which centralizes all security-related information and incident management efforts of the Project's various entities, sites and vessels. The JOC has the capacity to mobilize Security, HSE, Medical and Communication teams in the case of an emergency or crisis. This system enables proper communication and coordination efforts to avoid "silo effects".

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 2014 was to provide the highest level of security within all Technip entities.

The Teams have focused on the uniform implementation of robust Technip Security processes to provide the best solutions when it comes to traveler security, Project "security design", IT security, maritime security and incident management.

During the last two years, Technip has consolidated the best practices and has continued to innovate to enable Technip Projects to be well integrated locally and continue to operate in the most volatile countries.

Technip is fully independent in its security assessments and decision making process in order to keep its assessments and decisions as accurate and objective as possible. 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 security threats in each country:

- level 1 countries: low security risk, travelers to maintain 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 2014, more than 1,850 business trips in level 3 countries have been taken into account by Technip Security.

Adapted communication and tools

Dedicated tools and resources are available to keep Technip people informed, in a fully transparent manner, about security issues wherever they live, travel or operate:

- traveler Handbooks are available for all countries in which Technip operates and are provided to staff prior to any mission;
- a specific handbook dedicated to safety and confidentiality regarding data protection (provided during awareness sessions and available on the intranet) has been updated to focus on new threats and *modus operandi* and reinforces Technip's know-how protection;
- security alerts are issued by 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 software, the Technip Security Database (internal software). It enables employees to be informed and supported in case of incidents; 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: including, among others, the safety of employees in sensitive countries, cultural awareness, awareness relating to computer security and the protection of data, as well as protection against external fraud, security on Projects.

Tools adapted to specific operations have been developed:

- the TSNT *(Technip Security Navy Tracking)* which allows the monitoring of the position of Technip's fleet vessels and an alert where needed, in particular when vessels enter a piracy-prone area;
- the Crisis Management and Business Continuity tool, TICA *(Technip Incident and Continuity Application)* is both a database centralizing all emergency and continuity plans and a virtual crisis management center designed to ease communication and interaction between the response teams across the Group; and
- the TSMS *(Technip Security Management System):* the Corporate Security Teams across the world support Technip Projects in the design and implementation of tailored and cost efficient security systems from Project tender phase to commissioning. This system defines the processes to be implemented and the key deliverables expected at each Project phase. This is a fundamental principle of the quality approach that applies to Security.

Technip Security Management System – TSMS

PROJECT LIFECYCLE

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

In 2014, Technip has developed its expertise in respect of four key security areas:

- IT security;
- maritime security;
- incident management; and
- external fraud management.

Security starts with information protection

Dedicated sessions for Technip staff are organized to raise awareness on confidentiality and information protection.

For key Projects, a dedicated team can be nominated to ensure permanent data protection. Such an approach has been initiated in 2014 to deal with threats related to new technologies and to better serve the interests of clients by protecting sensitive data.

Finally, 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: a major topic within Technip Security Operations

Following the development of the Group's operations, its operation zones have extended worldwide with some Projects and a fleet is located in Regions with maritime and piracy threats. This is the case for Projects located in the Gulf of Guinea where piracy incidents have increased.

In 2014, maritime security procedures continued to be developed across the marine centers and adjusted to the Group's growth in order to protect crews and ensure the smooth execution of operations.

The coordinated maritime security organization, in particular with the implementation of the TSNT, has enabled Technip to maintain its capacity to deal with the threats and to implement measures to prevent incidents.

To protect vessels travelling across piracy hotspots, the Group Security reinforces vessels by setting up barbed wire over the freeboard or on the main deck, welding steel plates to 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 ensures the protection of the vessel and the crew during the transit.

Incident management

In 2014, major efforts in terms of incident management preparedness were placed on the update of the Technip Incident Management System.

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 which includes periodic 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.

Due to training and awareness sessions, TICA is now used widely within Technip.

External fraud management

As external fraud attempts have increased over the last two years, Technip's first response was to create a joint Group Treasury and Security "Task Force" to report suspicious events and to provide immediate action.

Technip has implemented preventives measures to protect the reputation of the Group and its interests.

The Money Fraud Team have also set up awareness sessions which are dedicated to Technip employees.

Finally, an External Fraud Network has been implemented in each Region where Technip operates to better respond to the situation on the ground and to act as a relay for the Corporate. This network is made up of trained correspondents who are in direct and permanent contact with the coordinators of the "Task Force".

4. Protecting the Environment

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

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

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

In 2014, Technip made significant progress by carrying out a study identifying the main material aspects in accordance with GRI (Global Reporting Initiative) G4 standard, thereby increasing its commitment in terms of Sustainable Development. External stakeholders agreed that 'Protecting the environment' was a material category and that the following principle environmental areas were material for Technip: energy use, greenhouse gas emissions, the emissions of air pollutants, hazardous substances, solid waste, water and waste water, biodiversity and ecosystems.

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

For more information on the Stakeholder Engagement and Materiality, please refer to Section 1 of this annex.

For more information on definitions, please refer to Section 1.1.6 of this annex.

4.1. GROUP ENVIRONMENTAL POLICY

4.1.1. Group HSE Policy

For more information on the Group's Health and Safety Policy, please refer to Sections 3.7 and 3.8 of this Annex of the Group's Reference Document for the year ended December 31, 2014.

The section of the Group's HSE Policy that specifically addresses the environment sets out 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 requirements, such as promoting a responsible use of resources; quantifying and controlling any emissions into the air, soil and water; a safe and sensible management of waste; a thorough approach with respect to environmental risks and their management; and an innovative approach in respect of environmental challenges.

Targets assigned to subsidiaries outside France

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

4.1.2. Environmental Charter

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

The Environmental Charter also applies to all of Technip's entities, regardless of their legal status.


Environmental Charter

Our Objectives

Our Guidelines

Technip

4.1.3. Responsibility and Organization

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

In 2008, an Environmental Working Group (EWG), was formed, reporting to the Vice-President, Group Health, Safety and Environment. This working group coordinates with a network of around 20 environmental specialists from all of the Group's Regions and business units. The EWG sets up conference calls every month with all EWG members and organizes technical working groups twice a year including experts from each operation. It also puts together programs at Group level focusing on environmental performance indicators which allow for environmental improvements to be reported, awareness campaigns, carbon emission reporting and eco-design. The management of these programs is delegated at regional and local levels. In addition, the Group's entities develop and conduct environmental initiatives and programs adapted to the local environment and workforce.

All entities and Projects within the Group are managed by dedicated HSE Managers and Directors, with a team of HSE engineers and supervisors responsible for the application of the HSE rules in their respective areas (for example, an engineering centre, a manufacturing plant, a vessel, a yard, a construction site or a Project) and to ensure that these requirements are well implemented.

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

4.1.4. Legal and Regulatory Compliance

Technip is committed to operating in full compliance with applicable environmental regulations, laws and international codes and standards 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 the execution of the Project.

Technip operates in countries which have increasingly stringent and constantly changing regulations in respect of environmental protection and the operation of industrial sites. For example, the European Union's directives on the environment, 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 designated to industrial sites which pose potentially high environmental risks. These regulations are related to, amongst other things, the environmental liability of corporations, the prevention of pollution and spills and the management of hazardous substances and waste.

Technip is committed to operating in full compliance with all of these rules, whenever they apply to its facilities and/or operations.

For Projects financed by the International Finance Corporation (IFC), Environment, Health and Safety guidelines ('EHS Guidelines') of the World Bank Group may be applied. These guidelines are technical reference documents containing general and industry-specific examples of Good International Industry Practice (GIIP). Where regulations of the host country differ from the levels and measures set out in the EHS Guidelines, Projects are usually required to apply whichever is more stringent. This was, for example, the case for a recent Project in Malaysia.

Since 2003, Technip also observed the ten principles of the United Nations Global Compact (UNGC) and discloses its initiatives in this respect.

For more information, please refer to Sections 4.4 and 4.8 of the Group's Reference Document for the year ended December 31, 2014.

4.1.5. Environmental Certification

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

As of December 31, 2014, 41 Group legal entities (approximately 68% of the main legal entities) were ISO 14001 certified, including six of the seven regional headquarters. For all these entities, the environmental management system was fully verified and certified by an independent third party. 11 other entities were working towards this certification.

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

4.1.6. Risk Management

a. Identification of risk

Please refer to Section 4.4 of the Group's Reference Document for the year ended December 31, 2014.

b. Management of risk

Please refer to Section 4.8 of the Group's Reference Document for the year ended December 31, 2014.

c. Provisions and indemnities

In respect of provisions, indemnities and guarantees paid during the financial year ended December 31, 2014 resulting from a court decision on environmental issues which ordered for the pay-out of damages, the situation is as follows:

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

4.1.7. The Group's Environmental Objectives

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

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

- **prevention** of environmental impacts and risks of activities through an ongoing process of risk identification and assessment, through the implementation of preventative and mitigation measures that reduce those risks identified as well as their potential consequences;
- **reduction** of the use of energy and resources and waste generation by the implementation of specific programs to identify, measure and promote a reduction in waste generation, energy and resource consumption across Technip's operations and activities.

A number of entities across the Group have defined their own environmental targets. At Group level, improvement initiatives have been implemented and, in 2015, a working group of environmental experts will propose targets figures.

Each year, the above environmental goals are captured in specific annual Group Quality, Health, Safety and Environmental (QHSE) objectives and are then shared with all Regions and entities.

In 2014, Technip carried out a review of its environmental objectives for the purpose of continuous improvement and several new initiatives have been implemented at Group and regional levels as set out below.

Group's Objectives	Group's Activities in 2014	Other Regional Initiatives in 2014
IMPROVEMENT Proactive environmental management	■ Improvement of environmental reporting processes by carrying out regular Group and regional checks; a new reporting tool has been launched on a shared platform ■ World Environment Day in June, involving all of Technip's entities and active promotion by Technip's President and COO; the activity was registered by the United Nations Environment Program (UNEP) ■ Regular exchanges with Regions on the Group's main environmental aspects ■ Launch of a Best Practices in Environment initiative for manufacturing plants, to be shared across the whole Technip Group	■ Energy Saving Day in December observed in all of Technip's offices ■ Several entities took part in the Earth Day in April ■ A Green Office Rating System promoted in Region B ■ Improvement of a waste management program in Middle East offices
PREVENTION Reducing the impact on the environment and managing risk	■ EKPI reports and trend analysis shared within the Group, Regions and entities to set up strategies for reducing environmental footprint ■ Use of feedback from audits carried out by Third Parties to improve the system (i.e. Grenelle II audit outcomes) ■ Identifying accidents causing damage to the environment and emergency intervention exercises carried out during Group's QHSE workshop ■ Review of method identifying and classifying environmental incidents	■ Internal audits carried out at regional level to extend the Group's Environmental Management Standard at all operating levels ■ Risk registers made available for all Regions, including mitigation plans ■ Improvement of environmental training and emergency response training for major manufacturing and construction sites
REDUCTION Reduction in use of energy and resources and in quantity of waste generated	■ Technip is committed to not using certain banned chemical products, demonstrated by the Group issuing guidelines which have been in use since Q2 2014 ■ Group waste reduction initiative started with new indicators on the final treatment of waste	■ Reduction targets set by Flexi France for emissions of volatile organic compounds (VOCs) and consumption of water ■ Reduction targets set in Brazil for water and electricity consumption ■ Reduction targets set in Rome for paper use ■ Awareness and compliance to environmental friendly behaviors set in Rome for saving energy and managing waste

In accordance with the Group's objectives, regional and local activities are carried out for all entities and operations of the Group as detailed above. Examples of initiatives and actions implemented in the Regions in 2014 have been briefly summarized and further information on the environmental initiatives continued or launched in 2014 by the entities and Projects are set out in the following paragraphs of this Section 4.

In 2015, the three main environmental objectives of the Group, as part of the Group's QHSE Three-Year Plan for 2015-2017, remain the same, with the following specific objectives:

Group's Objectives	2015-2017 Plan	Specific Activities
IMPROVEMENT Proactive environmental management	**Implementing a proactive strategy to reduce greenhouse gas (GHG) emissions in Technip's permanent sites**	■ Rationalize and set GHG emissions strategies for reducing direct and indirect contributions to GHG emissions ■ Formalize environment best practices across the Group in order to reduce GHG emissions ■ Promote a system to monitor changes to HSE regulations (at Group, regional and local level)
PREVENTION Reducing the impact on the environment and managing risk	**Strengthen Technip's ability to prevent and reduce its impact on the environment**	■ Carry out studies on the environmental impact of activities (e.g., Environmental Impact Identification (ENVID), Hazard Identification (HAZID)
REDUCTION Reduction in use of energy and resources and in quantity of waste generated	**Optimize Technip's system for managing waste and natural resources**	■ Define specific regional targets for the use of natural resources and the generation of waste

4.2. MANAGEMENT OF ENVIRONMENTAL ASPECTS

4.2.1. Reporting Methodology

In accordance with the Group's requirements, Technip's entities and operations must register their environmental data in a centralized database from which all quantified data presented in this Section 4 is taken. For the sake of clarity and transparency, the reporting methodology, data collection system and consolidation process are explained in detail in this section.

In 2012, the Group's Guidelines on environmental reporting were developed to assist Operating Centres with the definition and process of reporting and were revised at the end of 2013 to include feedback from users and from external audits. In 2014, the revised Group Guidelines were fully implemented throughout the Group.

a. Scope for reporting

■ SCOPE

The diversity of Technip's business operations and location of its sites gives rise to a wide range of reporting sites, divided into four main categories for ease of comprehension: construction sites, industrial sites (manufacturing plants, spool bases and construction yards), fleets (vessels) and offices (see definitions in Section 1.1.6 of Annex E of the Group's Reference Document for the year ended December 31, 2014).

This division provides a better fit with each category's specific requirements. For example, electricity consumption reporting is not applicable to vessels and they will instead report on ballast water volumes.

In the report, for some indicators, data related to industrial sites, fleet and offices are consolidated since these three categories represent Technip's permanent sites (owned or leased) while the construction sites are related to Projects and thus are usually only temporary sites and are not owned by Technip.

The environmental reporting scope of this Reference Document covers all existing entities consolidated in the Group, whether Technip owns or manages the entity and if Technip is responsible for managing the work. This excludes companies acquired during 2014 (*e.g.* Zimmer® Polymer Technologies) which will be included in the 2015 report.

As for Safety reporting, the environmental scope covers both Technip employees and contracted personnel in all of the Group's various 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, please refer to Section 3.8 of Annex E of the Group's Reference Document for the year ended December 31, 2014.

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

■ LIMITS

Small construction sites and Projects where Technip has a consultancy or supervisory role only, without direct responsibility or control, are excluded from the Group's reporting scope. Another portion of new operating entities, new Projects and sites have not yet been included in the environmental reporting scope. The difference is around 51 million man-hours worked or 24%.

Construction camps are considered as non-work related operations. Therefore, environmental data for construction camps is not included in this report. Nevertheless, since 2014, construction camp data is recorded in the Group's Synergi system using a specific number. Dedicated EKPIs are also selected, recorded and monitored at local level to ensure continuous improvement.

These definitions are set out in the Group's Guidelines on environmental reporting, which have been revised in 2013 and are in line with HSE Group's principles and standards.

PERIOD

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

In 2013 and 2014, figures for environmental indicators provided in this section have been extracted from the Group reporting tool for the period from January 1, to November 30 and data for December has been estimated based on the previous 11 months for consistency, as some sites have not yet consolidated all December-related data.

In 2012, the data came from the Group reporting tool for January 1 to December 31.

COVERAGE

Coverage in terms of number of sites

In 2014, 177 sites participated in the environmental reporting in accordance with Technip's reporting requirements, as shown below:

Number of Reporting Sites Contributing to EKPIs	2014	Construction sites	Industrial sites	Vessels	Offices	2013	2012
Total Number	177	52	22	49	54	173	113

The total number of Group entities and sites contributing to environmental reporting has increased by around 61% since 2012, as the reporting system matures and a greater number of individuals at Group, Region and site levels are involved in this monitoring process.

Coverage in terms of percentage of operations (or Man-hours worked)

In 2014, the environmental coverage in terms of EKPI Man-hours worked decreased in comparison with 2013, as shown in the following table:

Man-hours Worked for Reporting Sites Contributing to Ekpis	2014	Construction sites	Industrial sites	Vessels	Offices	2013	2012
EKpi Man-hours Worked (1) (in millions)	154.3	56%	9%	5%	30%	158.4	110.6
HSe Man-hours Worked (2) (in millions)	205.3	-	-	-	-	182.4	172.4

(1) Or Man-hours Worked in sites which contributed *to* EKPIs reporting.
(2) Or total Man-hours Worked.

In 2014, the number of reporting sites for EKPI increased by about 3% while the EKPI Man-hours worked decreased by 3% in comparison with 2013 as discussed below.

Despite some big construction Projects stopping their activities in the middle/end of 2013, a number of entities, with a small impact on Man-hours worked, started their reporting in 2014, with particular reference to vessels and minor construction sites, which increased their participation in reporting by about 32% and 15% respectively.

The application rates (based on the number of EKPI Man-hours worked) of environmental indicators varies from 62% (NOx and SOx emissions) to 99% (water consumption for all entities). This means, for example, that 62% of NOx and SOx emissions quantity (indicator applicable to construction sites, industrial sites and vessels) has been recorded in the reporting system among the entities having contributed to EKPI's 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, contractual or client requirements and local regulations. For example, ballast waters only apply to vessel operations.

b. Data collection and consolidation system

DATA COLLECTION – REPORTING TOOL

Environmental reporting is of fundamental importance for the correct definition of environmental performances and objectives implementation at local, regional and Group level. Technip has therefore implemented an environmental data collection system based on a list of 35 basic environmental indicators and a further 16 aggregated indicators covering all main environmental themes (*e.g.*, energy consumption, water consumption, waste generation and CO_2 emissions). In 2014, six new indicators have been added regarding waste disposal methods: hazardous and non-hazardous waste sent either to incineration, landfill or recycling.

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 monitoring of the Group's performance in accordance with 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 consolidate and record its environmental data performance in Synergi on a monthly basis. This data reflects the environmental performance of entities involved in the office, construction, manufacture and fleet operations.

In 2014, a new graphic interface has been developed at Group level to facilitate data analysis and internal reporting. It also makes environmental data easier for users to access.

In 2015, a focus will be done on recently acquired entities in order to improve their level of alignment with the Group's reporting requirements.

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's HSE strategy. HSE Managers are supported and advised by the different HSE functions.

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

In addition, the regional Environmental Leads periodically check the regional EKPIs under their direct responsibility to ensure consistency of data and compliance with the Group's Guidelines. They identify trends, concerns and areas for improvement and set-up their objectives and plan a course of action accordingly.

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

In 2015, a focus will be done on recently acquired entities in order to improve their level of alignment with the Group's reporting requirements.

c. External controls

The external verification process is assured by independent third party auditors as required by French Grenelle 2 law. Audits are conducted in accordance with ISAE 3000 (International Standard on Assurance Engagements).

4.2.2. Energy Consumption and Air Emissions

a. Energy consumption

GRI G4-EN3, G4-EN5, G4-EN6

ENERGY CONSUMPTION WITHIN TECHNIP'S PERMANENT SITES

The overall energy consumption by Technip's permanent sites decreased by about 41% in 2014 compared to 2013, with main contribution related to industrial sites (manufacturing plants and spool bases).

	2014			2013			2012		
Direct and indirect energy consumption for permanent sites (MWh)	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 and LPG (1)	Fuel (Fuel-oil, Diesel, Gasoline) (2)	Electricity
Industrial sites	9,321	57,381	52,554	9,606	109,591	60,310	11,086	30,998	58,016
Offices	6,699	6,271	65,016	6,140	12,120	60,462	5,382	6,069	65,478
Fleet	0	798,413	0	-	1,453,611	-	-	1,260,951	-
TOTAL (6)	**16,020 (3)**	**862,065 (4)**	**117,570 (5)**	**15,746**	**1,575,322**	**120,772**	**16,468**	**1,298,018**	**123,494**

(1) LPG consumption has been added since 2012.
(2) Data related to Gasoline consumption has been added under the Fuel column since 2012.
(3) Coverage rate is equal to 16% for Natural Gas and 19% for LPG, in terms of Man-hours worked, these products are being used in very few reporting entities.
(4) Coverage rate for Fuel is equal to 84% in terms of Man-hours worked.
(5) Coverage rate is equal to 84% in terms of Man-hours worked.
(6) For 2014, the total energy consumption is around 1 million MWh or 3.75 million GJ in comparison to 1.71 million MWh or 6.48 million GJ in 2013.

For industrial sites and offices, fuel use remained stable (an increase of 2%) in terms of natural gas and liquefied petroleum gas (LPG).

Fuel use (diesel and gasoline) in offices has also increased, linked to heating, therefore having a minor impact on the overall fuel consumption in Technip's permanent sites, where the dominant sector is represented by the fleet.

In 2014, as a result of specific reduction initiatives, the consumption of fuel by the fleet (diesel, gasoline, fuel oil) decreased by about 45%.

A slight decrease in electric energy use of about 3% has been reported at Group level, mainly related to industrial site operations and to offices for heating, conditioning and office activities.

ENERGY CONSUMPTION ON CONSTRUCTION SITES

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

	2014			2013			2012		
Direct and indirect energy consumption for temporary sites (operations on Projects) (MWh)	Natural gas and LPG	Fuel (Fuel-oil, Diesel, Gasoline)	Electricity	Natural gas and LPG	Fuel (Fuel-oil, Diesel, Gasoline)	Electricity	Natural gas and LPG	Fuel (Fuel-oil, Diesel, Gasoline)	Electricity
Construction sites (4)	82,138 (1)	301,069 (2)	16,859 (3)	11,264	267,027	1,626	2,605	422,725	4,227

(1) Coverage rate is equal to 16% for Natural Gas and 19% for LPG, in terms of Man-hours worked, these products being used in very few reporting entities.
(2) Coverage rate for Fuels is equal to 84% in terms of Man-hours worked.
(3) Coverage rate is equal to 84% in terms of Man-hours worked.
(4) For 2014, the total energy consumption is 383,207 MWh or 1.54 million GJ in comparison to 279,917 MWh or 1.06 million GJ in 2013.

In respect of energy consumption relating to Project operations, fuel consumption in construction sites increased by approximately 13% in respect of 2013 and electricity consumption also significantly increased, due to a shift in commissioning activities in major Technip construction sites, such as Projects in Mexico and Bulgaria.

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

ENERGY INTENSITY

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

	2014	2013 (1)	2012 (1)
Total Energy Intensity (kWh/man-hours Worked)	9.05	12.57	16.88

(1) In 2013, major changes were made to the reporting methodology and scope, including the Man-hours used to calculate performance indicators. As a consequence, Man-hours were also recalculated for 2012 which explains the differences since the 2012 Activity and Sustainable Development Report.

In 2014, energy intensity per category is as follows:

2014	Construction sites	Industrial sites	Fleet	Offices
Total Energy Intensity (kWh/man-hours worked)	4.69	8.20	98.04	1.69

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

REDUCTION IN ENERGY CONSUMPTION

In 2014, Technip continued to pursue energy efficient, conservation and energy saving measures to reduce its energy consumption on all its sites.

Total energy consumption decreased by 31% in terms of absolute consumption (reduction of around 613,000 MWh or 2.26 million GJ) and by 29% for the intensity factor (total energy consumption/man-hours worked) in 2014 compared to 2013.

Fuel saving initiatives are currently being developed by T-MOS (Technip Marine Operations Services) based in Aberdeen for all the vessels under their management. The objective is to reduce the fleet's fuel consumption and thus overall vessel emissions during the following years. A multi-faceted plan has been developed and submitted to T-MOS management before being presented to Technip's major clients in 2015. This global program should have an impact on the Group's overall fuel consumption since vessels are the main contributors in terms of diesel consumption across the Group.

Several of the main offices have environmental or energy certificates according to either national regulations or international standards, these offices consist of: one building close to Paris-La Défense (France), two buildings in Houston (USA), one building in Aberdeen (UK) for a total of around 3,800 people. The design of these buildings takes into consideration the use of natural light and ventilation, thermal insulation to reduce heating and cooling costs.

In other offices, measures such as installing timers for lighting and air-conditioning or the use of LED lamps are commonly adopted best practices. In Paris-La Défense (France) (around 3,000 people), the building is equipped with an Energy Manager® system. This tool manages the building remotely and optimizes the heating, air conditioning and lighting systems. In this tower, around 25% of energy has been saved since the system was installed in 2009.

b. Greenhouse Gas (GHG) emissions

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

The 20th session of the Conference of the Parties to the United Nations (UN) Framework Convention on Climate Change was held in Lima on December 1 to 4, 2014 (COP20). The Conference was a key step towards reaching a universal climate agreement in Paris in December 2015 (COP21). In 2015, the objective is to achieve, for the first time in over 20 years of UN negotiations, a new legally binding and universal treaty to be implemented in respect of the climate, by all nations of the world, following the expiry of the Kyoto Protocol in 2020. The challenge is to cut greenhouse gas emissions and reduce the impact of global warming to prevent the global temperature increase to 2 degrees Celsius above pre-industrial levels.

It should be noted that the United Nations Environmental Programme (UNEP) 2014 Emissions Gap Report shows that greenhouse gas (GHG) emissions have continued to increase in 2013.

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

Since 2006, Technip reports its carbon emissions (Scope 1, Scope 2 and partial Scope 3) to the Carbon Disclosure Project (CDP); published data is available online on the CDP website. Technip's score for the climate change questionnaire improved from 66C in 2011 (2010 data) to 71C in 2013 (2012 data) and 85C in 2014 (2013 data). The number represents the disclosure score (rating from 0 to 100) while the letter represents the performance score (increasing scale from E to A).

DIRECT AND INDIRECT GHG EMISSIONS (SCOPES 1 AND 2)

The table below shows the aggregated volume of direct GHG emissions (in metric tons CO_2 equivalents) generated by Technip's operations (Scope 1 emissions). However, it should be noted that Technip is not subject to any greenhouse gas emission regulatory quotas.

Technip also quantifies its indirect emissions, which are emissions that result from the electricity consumption at all its sites (Scope 2 emissions).

	2014		2013		2012	
Total Greenhouse Gas Emissions (Scopes 1 and 2) In metric tons CO_2 equivalent	Direct Emissions	Indirect Emissions	Direct Emissions	Indirect Emissions	Direct Emissions	Indirect Emissions
Construction sites	98,692	6,248	73,082	885	111,462	2,521
Industrial sites	17,224	14,966	31,225	14,831	10,547	15,388
Fleet	213,682	0	388,395	-	335,590	-
Offices	3,012	32,404	4,399	26,387	2,653	27,244
Total Emissions	332,610 (1)	53,618 (1)	497,101	42,103	460,252	45,153
TOTAL EMISSIONS	**386,228**		**539,204**		**505,405**	

(1) Coverage rate is equal to 84% in terms of Man-hours worked.

Direct emissions result from fossil fuels or energy (natural gas, LPG, diesel, gasoline) used directly by Technip's activities and operations, often due to internal electric energy production at sites. Major contributors to direct emissions are vessels (64%) and construction sites (30%).

For example, construction sites located remotely from any local electricity grids often generate their own electricity through diesel-fuelled generators. This type of equipment is only used for the duration of the construction activities before the plant is built and generates electric power through steam turbines or other types of sources.

Indirect emissions result from the direct consumption of electricity from the relevant local grid as part of Technip's operations. The volume of CO_2 generated from electricity will vary from country to country depending upon the fuel source used to produce electricity. Major contributors to indirect emissions are offices (60%) and industrial sites (28%).

In 2014, Technip experienced an overall reduction of 28% in CO_2 emissions (Scope 1 + Scope 2) compared to 2013, mainly related to the reduction in direct emissions by vessels and industrial sites linked to the important reductions in their fuel consumptions and to activity reduction of the Seamec fleet due to its divestment in 2014.

GHG EMISSIONS INTENSITY

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

	2014	2013 [(1)]	2012 [(1)]
Total GHG Emissions Intensity (kg eq. CO_2/man-hours worked)	2.50	3.40	4.57

(1) In 2013, major changes were made to the reporting methodology and scope, including the Man-hours used to calculate performance indicators. As a consequence, Man-hours were also recalculated for 2012 which explains the differences since the 2012 Activity and Sustainable Development Report.

In 2014, GHG emissions intensity per category is as follows:

2014	Construction sites	Industrial sites	Fleet	Offices
Total GHG Emissions Intensity (kg eq. CO_2/man-hours worked)	1.23	2.21	26.24	0.77

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

REDUCTION OF GHG EMISSIONS

Total GHG emissions decreased by 27.4% for emissions (a reduction of around 146,000 tons of CO_2 eq.) and by 26% for the intensity factor (total GHG emissions/man-hours worked) in 2014 compared to 2013.

Technip's fleet vessels are by far its main source of direct GHG emissions. Taking this into account, 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 accordance with international maritime requirements.

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

Technip's offices in Rome are partly supplied by a green electricity network whose provider delivers Renewable Energy Certificates (RECs); this "green" energy accounted for approximately 63% of the total internal energy use in the Rome offices in 2014 and 74% in 2013.

Since the end of 2013, Technip in Paris has rented new offices close to Paris-La Défense in a brand new building that is now fully occupied by Technip's workforce (around 900 people). This building has a triple environmental certification: HQE® (High Environmental Quality), LEED (Leadership in Energy & Environmental Design) "Gold" level and BREEAM (Building Research Establishment Environmental Assessment Method) 'Very Good' level, in addition to a BBC label (French label meaning Low Consumption Building). Technip made the choice to use "green" energy: all the electricity consumed in the building (around 2,500 MWh in 2014) is supplied by certified hydroelectric sources located in France, which means zero carbon emission.

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

In addition, Technip has further expanded its expertise and capability in the development, acquisition and implementation of renewable sources of energy, such as biofuels. For more information, please refer to Section 2.4 of Annex E of the Group's Reference Document for the year ended December 31, 2014.

c. Other air pollutants emissions

GRI G4-EN20, G4-EN21

EMISSIONS OF OZONE DEPLETING SUBSTANCES (ODS)

In 2014, two incidents resulted in the emission of ozone depleting substances (ODS). They related to gas spills from a cooling machine in a flexible manufacturing plant owned by Technip. As a consequence, 74 litres of gas were released into the atmosphere. The two incidents were classed as minor as per Technip's environmental incidents reporting rules.

EMISSIONS OF NOx AND SOx

In 2014, NOx and SOx emissions from the Group's normal operations have started to be estimated by sites (construction sites, industrial sites and vessels). The results per category are as follows:

2014	Total	Construction sites	Industrial sites	Fleet	Offices
Total Emissions of NOx (tons)	15,273 [(1)]	10,915	15	4,343	Not applicable
Total Emissions of SOx (tons)	1,458 [(1)]	922	1	535	Not applicable

(1) Coverage rate is equal to 62% in terms of Man-hours worked.

Estimation methods are different depending on the activity:

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

In terms of SOx emissions, Technip's fleet operates in an environmentally sound and responsible manner. All T-MOS managed vessels are currently compliant with the applicable sulphur content thresholds in air emissions. Vessels will also be compliant with the new IMO (International Maritime Organization) regulations on low sulphur emissions in Emission Control Areas (ECAs, defined as per IMO's Special Areas under MARPOL Annex VI 'Regulations for the Prevention on Air Pollution from Ships'), coming into force from January 2015, since most of the vessels already use 0.1% sulphur content fuel at present. In 2015, sulphur content will be checked onboard to ensure 0.1% fuel is actually delivered by suppliers as stated on the fuel delivery note. The biggest problem that is anticipated in 2015 will be the availability of low sulphur fuel from suppliers, since suppliers are predicting a possible global shortage is predicted due to high demand from January 2015 onwards.

4.2.3. Water and Waste Management

GRI G4-EN8, G4-EN22, G4-EN23, G4-EN25

a. Water consumption

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

	2014	2013	2012 (1)
Total Water Consumption (m^3)	1,539,844 (2)	1,418,924	1,977,630

(1) The 2012 data included water consumption for a big construction camp in the Middle East.
(2) Coverage rate is equal to 99% in terms of Man-hours worked.

Since 2012, the overall reported water consumption has decreased by nearly 22%. However, compared to 2013, water consumption has increased by nearly 9%. These fluctuations are in line with the operations performed worldwide, especially on main construction sites (*e.g.* in Mexico, Algeria, Saudi Arabia), as well as on main manufacturing plants and yards (*e.g.* in Indonesia, USA, France).

On construction sites, water is usually extracted from local water schemes, rivers or bores and is treated onsite. Depending on the country and type of Project, large volumes of water may be used for dust suppression on roads or hydro-testing of tanks, pipelines and piping, accounting for about the 23% of water consumed at Group level. To save large quantities of desalinated water, the water required to carry out the hydro-testing of tanks is usually reused in several tanks. If approved by clients, treated sewage water can also be used for such tests.

Manufacturing sites and subcontractor yards record environmental data in Technip's Synergi system if they are Technip's responsibility contractually. Sites for which Technip is not responsible record their environmental performance in their own systems.

In 2014, the distribution of total water consumption per activity is as follows:

2014	Construction sites	Industrial sites	Fleet	Offices
Water Consumption (m^3) (% of the Total)	352,419 (23%)	576,422 (37%)	138,828 (9%)	472,175 (31%)

The two main areas consuming water in 2014 are industrial sites, followed by offices. In 2014, reductions in water consumption were achieved at construction sites by about 42% due to the reduced need for water for construction activities during pre-commissioning or commissioning phases of Projects; and on vessels by 20%.

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

In 2014, all the sectors mentioned dedicated specific initiatives to reducing their water consumption as described below.

Offices organized different awareness campaigns on water usage and conservation practices around the year. Improvement measures were implemented in 2014, such as, in office premises in Delhi (around 1,100 people), all water taps have been replaced by automatic water taps fitted with sensors to reduce water wastage by 2%. A rain water harvesting system has also been installed: collected water is reused to irrigate green spaces around the office building.

Different practices are in place to reduce water consumption for flexible pipes manufacturing plants. For example, in Flexibras (Vitória, Brazil), the water used for hydrostatic tests is recycled over 10 years, with quality control (chlorine) before each test.

In Flexi France (Le Trait, France), a full program for detecting spills on the underground potable water sewer network was launched in 2014. By analyzing water consumption indicators, important losses were identified. By means of electro-acoustic measures, damaged parts of the network were identified and necessary repairs were carried out. Water consumption savings reached a monthly reduction of 50%, leading to an immediate reduction of 11% in water consumption 2014.

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

2014	Water Consumption (m^3) (1)
Africa	53,735
Asia excluding Middle East (including India and Russia)	485,103
Europe	226,736
Middle East	137,578
North America	374,960
Oceania	9,949
South America	112,122

(1) Excluding fleet.

In 2015, Technip plans to assess the water footprint of its operations which are located in areas sensitive to economic and physical water scarcity. The aim is to identify where Technip can improve its management of water consumption and implement best practices for the benefit of employees, local communities and the environment.

b. Liquid effluents

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

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

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

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

In 2014, the total quantity of wastewater managed by Technip, including ballast water, was 956,162 m^3, of which 8% was ballast water, 16% industrial wastewater and 76% domestic wastewater.

In 2014, Technip increased its generation of wastewater by 18% compared to 2013 mainly due to offices (59%) and plants (80%) releases because of a better alignment with Group's reporting requirements.

Total Wastewater (m^3)	2014	2013	2012
Construction sites	308,684	296,807	434,806
Industrial sites	108,995	60,558	64,530
Fleet	165,688	217,119	109,958 (1)
Offices	372,795	233,972	136,541
TOTAL	**956,162 (2)**	**808,456**	**745,835**

(1) In 2012, vessels ballast water was reported separately and accounted for 77,973 m3, which amounts to a total of 187,931 m^3 for the fleet.
(2) Coverage rate is equal to 81% in terms of Man-hours worked.

Since 2013, the methodology has changed slightly for both domestic and industrial wastewater. As a result of this, more wastewater has been reported in 2013 and 2014 as domestic from sites and offices as a more detailed estimation method has been made available which was not used in reporting for previous years. For offices, if measured data are not available, domestic effluents can be considered equal to 90% of water consumption. For industrial and ballast waters, data come from site measurements. In 2014, construction sites have seen an increased quantity of industrial wastewater (including dust suppression water and hydrotesting water).

The below table shows the breakdown of each type of wastewater reported for each of Technip's operational sectors in 2014:

2014 Total Wastewater (%)	Domestic Wastewater	Industrial Wastewater	Ballast Water
Construction sites	60%	40%	0%
Industrial sites	78%	22%	0%
Fleet	54%	2%	44%
Offices	100%	0%	0%
TOTAL	**76%**	**16%**	**8%**

On Subsea Projects, optimization studies have been performed in 2014 by Subsea Installation and HSE teams based in Paris to reduce the impact of subsea operations on the marine environment. As part of pre-commissioning activities, rigid and flexible pipes must occasionally be flooded in order to be properly installed on the sea bed due to specific installation constraints. In such cases, seawater used to flood the pipes is treated with chemicals (such as biocide, oxygen scavenger, corrosion inhibitor and dye) to avoid corrosion inside the pipes. After installation, pipes are flushed and the mixture of seawater and chemicals is discharged to the sea. In 2014, detailed studies and corrosion tests have been carried out in a French laboratory with the aim of reducing the concentration of chemicals used to protect the pipes. The results showed that in some cases, concentrations could be reduced by a factor of 3 which would prevent large quantities of chemicals from being discharged to the sea. In 2015, the corrosion tests will be extended to other types of piping materials and chemicals products before being actually implemented on Subsea Projects with the approval of the clients.

c. Waste

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

In 2014, Technip experienced an increase in waste generation from previous years primarily due to non-hazardous waste production in one specific construction site, while hazardous waste production remained more or less stable.

Total weight of Waste, by type (tons)	2014	2013	2012
Non-hazardous waste	547,105 (1)	156,558	86,195
Hazardous waste	5,938 (2)	5,881	6,761

(1) Coverage rate is equal to 93% in terms of Man-hours worked.
(2) Coverage rate is equal to 78% in terms of Man-hours worked.

In 2014, the distribution of waste by type of operation is as follows:

2014 Total weight of Waste, by type (tons)	Construction sites	Industrial sites	Vessels	Offices
Non-hazardous waste	481,448 (1)	36,956	25,192	3,509
Hazardous waste	442	3,160	1,831	506

(1) Of which about 80% is represented by clean soil excavated from construction sites and dedicated to future environmental restoration and backfilling.

As far as construction sites are concerned, the largest portion of non-hazardous waste generated was made of soil, rock, concrete and scrap metal. One major construction site in Mexico has generated large quantities of non-hazardous waste since large quantities (around 349,000 tons) of clean soil were excavated and will be reused on site for backfilling and for environmental restoration project on a dedicated landfill site; this Project contributed to 70% of the total non-hazardous waste quantity generated by the Group's operations.

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

2014 Total weight of Waste, by type of disposal (%)	Sent to Landfill	Sent to Recycling	Sent to Incineration
Non-hazardous waste (1)	3%	76%	0%
Hazardous waste (2)	13%	36%	0%

(1) Coverage rate is equal to 79% of produced non-hazardous waste.
(2) Coverage rate is equal to 59% of produced hazardous waste.

As the new requirements were implemented in August 2014, these results are to be considered as partial (coverage is between 59% and 79%) but these new indicators will continued to be followed for further analysis. In 2014, recycling was the primary method of disposal for both hazardous and non-hazardous waste.

Actions were taken on Projects to reduce waste generation.

For example, people working in hot and tropical conditions may potentially suffer from heat stress if they do not keep properly hydrated. To counter this threat, offshore teams are encouraged to regularly drink water and remain hydrated. This requirement will often present additional logistic supply issues, leading to the generation of large volumes of plastic water bottles and challenges for waste management. To address this challenge, on a recent offshore campaign, the Deep Orient construction vessel installed water coolers and distributed reusable thermo flasks to over 90 crew members. For a relatively minimal outlay and effort, this initiative saved an estimated $20,000 in cost, handling and disposal of plastic bottles. More importantly, this initiative had a significant effect in reducing the number of plastic bottles used and thus the quantities of waste to be handled and brought ashore for treatment. Crew members signed up to this initiative that clearly demonstrated environmental benefits

During the FEED phase of Projects, waste management units are designed in order to better manage all waste generated during the operation of the plant. A good example was on a refinery Project in a country where waste management facilities are not yet well developed. An Integrated Waste Management Centre was designed by the HSE Design team based in Paris. This centre will be used by the owner during operations, with the purpose being to:

- control, weigh and record all waste streams;
- clean contaminated drums in pyrolysis furnaces for further re-use on site;
- pre-treat and recondition waste *e.g.* convert food waste into compost; press and pack plastic, paper and cardboard for use by local communities;
- ensure the safe temporary storage of waste which will be recycled off site;
- where no other solution is possible: incinerate waste on site.

This innovative approach complies with the environmental best practices and is adapted to the local context. It leads to minimizing the amount of waste disposed in landfills and increases employment opportunities for local communities.

4.2.4. Accidental Pollution

GRI G4-EN24

a. Prevention of environmental incidents

SITE AND OFFSHORE ENVIRONMENTAL MANAGEMENT

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

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

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

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

MANAGEMENT OF HAZARDOUS SUBSTANCES

In 2014, new guidelines on "Banned Chemicals" were issued at Group level. These guidelines provide information on hazardous substances that are considered banned for purchase or use within the Technip Group owing to their potential to harm human health and their toxicity to the environment. These guidelines which conform to international protocols on harmful substances, can also raise awareness on the processes to be considered when procuring harmful chemicals and substances. These guidelines are applicable to all Technip sites and must also meet local regulatory requirements.

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

For example, lubricants and chemicals will be stored in dedicated storage facilities at Technip's manufacturing plants. Such facilities will be segregated and secured and fitted with spill prevention equipment, bounding or traps, as well as spill kits.

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

b. Technip's rules on reporting environmental incidents

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

Technip classifies environmental incidents into three distinct types:

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

In 2014, this classification was reviewed and has been widely modified to align with safety incident classification. The new rules have been defined in the Group's standards which will be fully implemented in 2015.

c. Number and volume of significant spills

With continued efforts to raise environmental awareness and improve the reporting of incidents, as well as increased levels of mandatory reporting, there has been an increase in the number of environmental incidents reported in 2014 in comparison to 2013 levels.

In 2014, a total of 170 environmental incidents were reported across Technip's construction sites, industrial sites and vessels. Overall, this figure represents a slight (2%) increase in comparison to 2013 and a 58% increase in comparison with 2012 data. The recording of minor reportable environmental incidents increased by 91% in 2014. This reflects the increased requirement for mandatory reporting to local authorities, particularly in respect of North Sea operations. No significant or major environmental incidents were identified in 2014.

Distribution of accidental releases	2014					2013		2012	
	Total Number of incidents (1)								
	Minor Non-reportable	Minor Reportable	Major	Total	Volume of spills (litres)	Total Number of incidents	Volume of spills (litres)	Total Number of incidents	Volume of spills (litres)
Construction sites	31	7	0	38	2,874 (2)	58	4,620 (4)	31	1,321
Industrial sites	26	5	0	31	32,290 (3) (4)	31	5,482 (3)	41	1,276
Vessels	46	55	0	101	2,228 (5)	77 (2)	3,588	36	1,223
Offices	0	0	0	0	0	1	150	0	0
TOTAL	**103**	**67**	**0**	**170**	**37,392**	**167**	**13,840**	**108**	**3,820**

(1) According to Technip Environmental Incident Classification.
(2) Of which 2,000 litres related to two oil spill incidents
(3) Of which 29,000 litres related to the discharge of cooling water during maintenance.
(4) Of which 3,000 litres related to the spill of fuel oil in a manufacturing yard.
(5) Of which 800 litres related to an oil (lubricating) spill in a vessel.

With the rise in the number of environmental incidents, the volume of substances reported to have been released into the environment has also increased from 13,840 litres in 2013 to 37,392 litres in 2014 of which 29,000 litres related to a cooling water discharge event which did not contain hazardous substances.

Spills or releases accounted for 96% of all environmental incidents reported. Of these spills, 94% consisted of oils (*e.g.,* hydraulic oil), fuels (*e.g.,* diesel and gasoline) and chemicals and 6% were spills or discharge incidents relating to contaminated or waste water releases.

In terms of the 4% of environmental incidents that were not spills, these incidents consisted of incorrect waste disposal, noise and gas emissions.

Of the 170 incidents recorded, 39% of the environmental incidents were classified as "minor reportable" incidents 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 operational cost of remediation of these spills has been included in environmental expenses as a waste or operational management cost and is not considered as a decontamination cost.

The majority of offshore or vessel spills that consisted of relatively low volumes of hydraulic oils or fuels were contained wherever practical or lost to sea. Incidents involving losses to the sea were reported in accordance with local regulatory requirements. A large volume of the subsea or offshore incidents were spills or discharges from Remote Operated Vehicles (ROV) during operation.

The overall increase in the number of recorded environmental incidents since 2012 can be attributed to a number of factors:

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

In 2014, Technip measured the Total Environmental Incident Frequency Rate (per 200,000 man-hours worked) to be 0.17 (in comparison to 0.15 in 2013) and the Reportable Environmental Incident Frequency Report (per 200,000 man-hours worked) to be 0.07 (in comparison to 0.03 in 2013).

d. Mitigation of environmental incidents

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

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

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

For example, in Flexi France's manufacturing plant (Le Trait, France) different measures have been put in place to minimize the risks of pollution outside the plant if an accidental spillage happens. Fifteen easily identifiable and ready to use spill kits have been placed close to high-risk areas (such as the chemical storage and handling areas), including visual explanations on how to use the kits and what to do in case of a spill. In addition, a colour code has been adopted to differentiate easily between the water networks. The objective of these measures is to react as quickly and as best as possible to contain the pollution and avoid (or minimize) the water, soil or underground pollution.

For Projects, a spills and pollution control methodology was developed in 2013 and 2014 by the HSE-design team in Paris to prevent any risk of surface water pollution due to polluted storm water discharge during a refinery's operation. The study consists of the characterization of the storm water first flush composition to avoid any rainfall network contamination by pollutant spills. This study was performed during the FEED phase of a Project located in a sensitive area where Dugong mammals are present. It anticipates future regulatory requirements on fresh and marine water quality and will be proposed on future Projects. This initiative won an internal prize in 2014 in the "Building the future" category.

4.2.5. Biodiversity and Ecosystems

GRI G4-EN11, G4-EN12

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

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

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

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

Inspections and studies are carried out on Projects as part of the Environmental Impact Assessment (EIA) to identify biodiversity and put in place controls such as stormwater runoff protection, physical barriers to vegetation and the monitoring of fauna. It is normally the client's responsibility to seek regulatory environmental approvals and select Project locations in accordance with environmental standards and regulations. Technip provides clients with environmental consulting services to assist in the selection, concept, assessment and planning of their Projects.

In 2014, typical biodiversity protection measures that were implemented in Technip construction sites, plants and yards included dust suppression, storm water and wastewater management, erosion control, the management of remnant habitats and the reduction of noise pollution.

For example, the Etileno XXI Project in Mexico committed to preserving the local environment's biodiversity by promoting and organizing a series of initiatives including the Reforestation Program *"Cultivando el Mañana"*. This program, organized by the Client Braskem and JV (Technip, Odebrecht, ICA Fluor) and involving Etileno XXI personnel and local communities continued in 2014. The rescue and relocation of flora and fauna is another activity carried out by the HSE Department, aimed at the protection and preservation of local species, which are relocated in authorized areas such as Ecological Reserve "Jaguaorundy", "Resirene Pond" and Project Ecological Reserve.

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

In offices, many initiatives in favour of the protection of biodiversity were carried out in 2014 as part of World Environment Day to increase employee awareness. For example, tree planting ceremonies were organized at the Chennai Operating Centre (India), on construction sites (Mexico) and on Batam yard (Malaysia) and plant saplings were distributed to all personnel in Technip Spain as well as in Mumbai and Delhi Operating Centres (India) to encourage people to have green plants at the office or at home. Talks on the role of photosynthesis, the importance of forest conservation and the benefits of forest conservation for local ecosystems and global warming were organized with specialists and NGO's.

In 2013, new offices near Paris-La Défense (around 900 people) opened in a new building which has several high level environmental certifications. The building is equipped with innovative green roofs and patios and insect houses. In 2014, the owner developed observation protocols. A first observation showed that the ecosystem was rich with many species of local plants, molluscs, insects and birds. In 2015, three inventories of fauna and flora should be carried out, as well as interviews involving tenants and employees on their perception of green areas and biodiversity at their workplace. Other examples of initiatives developed by the Group's offices and manufacturing plants are given in Section 4.3.2 of this Annex E, under the "Communication Events" and "Environmental Education Programs" sub-sections.

Any damage to biodiversity is reported through Technip's HSE reporting system. In 2014, no incident or complaint regarding biodiversity and ecosystems was reported by Technip entities or operations.

4.2.6. Other Aspects

a. Consumption of raw materials

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

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

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

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

For more information on Technip's procurement practices, please refer to section 5.1 of Annex E on Sustainability in the Supply Chain.

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

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

The use of recycled paper, paper from certified forests and eco-labelled printers are also usual practices in offices (France, Spain, UK, Rome, etc.).

Since 2012, the consumption of paper is as follows and shows a significant decrease by nearly 27% in 2014 compared to 2013:

	2014	2013	2012
Total Paper Consumption (tons)	773 (1)	1,056	898

(1) Coverage rate is equal to 62% in terms of Man-hours worked.

It shows a significant decrease by nearly 27% in 2014 compared to 2013.

In 2014, the distribution of the total paper consumption per activity is as follows:

2014	Construction sites	Industrial sites	Fleet	Offices
Paper Consumption (tons) (% of the Total)	146 (19%)	40 (5%)	Not applicable	586 (76%)

All sectors have reduced their global paper consumption. The biggest decrease (by 29%) was achieved in Technip's offices where the reduction measures and good practices in place over several years as part as the Group's Green Office Program are now producing very good results.

b. Noise

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

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

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

In 2014, no noise incidents or complaints were reported by Technip entities or operations.

Detailed studies on noise are often conducted on Projects during the engineering phase. The task of the acoustic team is to assess the noise footprint and features of plant designs and its impact on adjacent plants and environment and to design specific noise reduction measures or equipment.

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

In 2014, they developed two kinds of detailed noise studies in respect of Offshore Projects:

- Structure borne noise: The acoustic energy, generated from a vibrating source, transmitted into the structure of an offshore platform, travelling through solid structures, is released as airborne noise at different locations within the platform. This phenomenon is commonly called structure borne noise. As noise and vibration regulations are more and more stringent on Offshore Projects, Client standards are increasingly becoming HSE oriented. The contribution to structure borne noise is taken into account for all sensitive buildings on the platform (*e.g.* control room, laboratory, living quarters). In respect of the Martin Linge and Hejre Projects which are two platforms to be located in the North Sea, specific studies have been carried out to demonstrate that this problem cannot be neglected and recommendations for structure and equipment design must be considered.
- Intelligibility: The Public Address and General Alarm (PA/GA) system is designed to broadcast voice messages and audio alarm signals using an electro-acoustic system. It is necessary for the comfort and the health of workers to ensure there is a good communication system in place between operators and to ensure that warning signals and emergency messages are clearly audible. In respect of the North Sea Projects (Martin Linge and Hejre) and the application of the NORSOK standards (developed by the Norwegian petroleum industry), messages shall be also intelligible. As a result, additional studies have been carried out with the calculation of a new indicator called STIPA (Sound Transmission Index for Public Address) to ensure that broadcast Emergency Verbal Announcements are intelligible in all parts of the installation where personnel could be present during normal operations.

c. Odours

In 2014, no incident or complaint in respect of olfactory pollution was reported by Technip entities or operations.

d. Soil

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

Past examples include situating a plant to limit the incursion into native vegetation or the redesign and stabilization of the plant's slopes to reduce erosion due to heavy rains. Proposed solutions may have a positive impact on the required quantity of construction materials, energy requirements and polluting emissions from the works. They may also reduce cost, on-site working time and site-related risks.

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

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

4.2.7. Financing Impact Reduction

Expenses related to reducing the Group's environmental impact

The Group's expenditure on environmental protection, improvements and pollution prevention measures is principally related to managing and reducing noise and vibration, waste (storage, transport, treatment and disposal), discharges and effluents (both domestic and industrial) as well as on soil remediation practices and environmental monitoring at sites, plants and in offices.

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

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

In relation to the new flexible pipes manufacturing plant in Açu, Brazil, which started its operations in 2014, environmental expenses primarily consisted of waste management, consulting environmental experts and the organization of workshops and field visits for students and teachers from local schools, as part of the Environmental Education Program (please refer to section 4.3.2 of this annex for more details).

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

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

Annual expenses related to environmental protection as reported by the sites (in thousands of Euros)	2014	2013	2012	2011
Total environmental expenditure	3,001	2,481	2,773	2,251
Decontamination costs	0	0	0	0
Number of fines & compensation payments	0	0	0	0
Amount of fines & compensation payments	0	0	0	0

4.3. ENVIRONMENTAL BEST PRACTICES

4.3.1. Sharing Best Practices

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

This exercise started in 2013 with manufacturing plants where internal site reviews were carried out. A similar type of review will be performed in 2016 on Technip's fleet.

This section provides examples of best practices to give an overview of the diversity of actions and initiatives to protect the environment that have been developed and implemented in 2014 within the Group, either at Group level or at entity and site level.

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

a. Projects

ENGINEERING

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

For example, in Technip Paris, a team of around 20 environment and health specialists form part of the HSE-Design department which has around 70 people on its payroll, with additional contracted staff when necessary. The team's objective is to ensure that installations designed by Technip comply with all applicable environmental and health requirements and to minimize the identified impacts of the Projects.

The team carries out numerous types of studies such as air emission modelling, marine dispersion, spillage and pollution control, waste management and studies on acoustics and vibrations.

Since 2012, they have developed a Life Cycle Environmental and Health Assessment (LCA) methodology. This study quantifies the environmental and health impact of a facility and the potential to reduce such impact when implementing the Best Available Techniques (BAT). The associated cost of using such technology is also estimated in order to obtain a complete cost-benefits study. As the first steps in 2012 and 2013 were encouraging, the approach was applied to two innovative Projects in 2014: a deep offshore subsea processing conceptual study and a FLNG (Floating Liquefied Natural Gas) pre-FEED Project. Optimized design solutions were proposed to clients. While giving an overview of the health and environmental impact of each Project, the eco-design study is an innovative design tool which promotes environmental friendly processes. It improves the Group's range of services on offer and anticipates client concerns, primarily in the energy sector. In 2015, it will be further developed and promoted both internally and to clients.

PROCUREMENT

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

In some of the main offices, such as Paris-La Défense, an assessment against HSE and Sustainable Development criteria is performed for critical services contractors. This is done on an annual basis by a specialized company. The objective is to identify areas for improvement and increase each contractor's performance. For example, cleaning products used in offices and sanitary spaces have been replaced with environmental-labelled products; the company in charge of the maintenance of green areas in offices has trained its personnel and has taken measures to reduce the consumption of water and its use of phytosanitary products.

Another initiative relating to the environment has been developed for Subsea Projects. The objective is to select sub-contractors and suppliers which adequately manage the health, safety and environmental aspects of their respective activities. During the selection phase (bid stage), the environmental element is included in a tailor-made questionnaire in order to assess the sub-contractor's and/or supplier's ability to meet Technip's environmental standards and requirements. This questionnaire has been created by the HSE-Management team based in Paris and is currently implemented on two major Subsea Projects and several supply Projects. The aim is to implement this new system for each new contract managed by the Paris office. The number of items related to the environment depends on the HSE level of the sub-contractor's or supplier's activities and/or the equipment to be manufactured for the Project. The sub-contractors and suppliers are then assessed on their level of compliance including environmental criteria and performances which is then taken into account, amongst, other aspects into the final selection.

For more information on Technip's procurement practices, please refer to section 5.1 of Annex E on Sustainability in the Supply Chain.

SUBSEA INSTALLATION

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

In 2014, HSE (Health, Safety and Environment) inspections on third party vessels contracted on Subsea Projects have been reinforced and now include more environmental aspects. Vessel operators are contractually requested by Technip to comply with applicable environmental regulations and to promote best environmental practices. This is implemented by Technip's HSE team from since the bidding phase of the Project and is monitored throughout the operation phases. During HSE inspections, a thorough check is carried out on ballast water management, acceptable lubricants and chemicals, NOx and SOx emission controls, oil pollution emergency plans, etc. This approach will help contractors to improve their compliance with environmental standards.

b. Technip's permanent sites

INDUSTRIAL SITES

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

In 2013, the identification of best practices within the Group for the environment started with the manufacturing plants where internal site reviews were performed. Specialists from other plants reviewed three of the Group's manufacturing plants: Flexibras in Vitória (Brazil), Asiaflex in Tanjung Langsat (Malaysia) – two out of the three flexible pipes manufacturing plants – and Technip Umbilicals Ltd in Newcastle (UK), one of the four umbilical production facilities.

In 2014, a similar field review was carried out by an environmental specialist from Flexibras, a Bresilian subsidiary of the Group, in respect of Flexi France's flexible pipes manufacturing plant based in Le Trait (France).

These reviews allowed Technip to identify and collect about 50 best practices in respect of the environment. Field visit reports have been shared *via* the Group's environmental network, helping to disseminate the best practices with other entities and factories. The next step will be the launch of a sharing platform which is under development and should be operational in 2015. The objective is to make the sharing platform open to all Technip personnel so that the practices can be used in different contexts, such as for construction sites. Associated guidelines defining the governance rules of using this platform will also be issued in 2015.

One of the main events of 2014, was the start-up of a new flexible pipes manufacturing plant located in Brazil (Açu, Brazil): the operation started in March (with around 370 employees) and construction ended in October (necessitating around 750 workers). The new plant has been designed to be the most modern plant in the Group and to also have the best environmental performance. During the engineering phase, a team of several environmental experts participated in the Project. They ensured that the plant would be fully compliant with applicable legislation and designed systems to minimize its environmental impact. For example, the site is well equipped to collect and treat wastewater, to reduce the use of natural resources and to properly manage waste generated on the site. All these systems demonstrate Technip's commitment to protecting the environment as well as promoting sustainability and innovation in respect of its Projects and investments, including eco-design and environmental efficiency from the earliest stage. The plant should be able to obtain the ISO 14001 certification in 2015. The year of 2014 was dedicated to creating new guidelines and procedures and to training the workforce on subjects including waste management and environmental emergencies, etc.

In 2013, at Technip's Flexi France plant located in Le Trait (France), the HSE team performed a detailed environmental analysis to identify the most significant environmental impacts of the plant's operations and the ways to reduce such impacts. In 2014, the results were communicated to all relevant staff on site by using stickers and posters which were displayed in working areas. Stickers show the five main environmental impacts to remind staff that their activities can have a significant impact on the environment.

These efforts were rewarded since Flexi France's clients have demonstrated a high level of interest in the environmental initiatives conducted on site and have financed activities such as the distribution of 1,000 eco-boxes to all personnel during the 2014 World Environment Day.

FLEET OF VESSELS

In 2013 and 2014, the Technip Marine Operations Services (T-MOS) vessel fleet reinforced its Environmental Management System (EMS). The revised EMS includes mandatory updates to international regulations such as Annexes V and VI of MARPOL that came into effect in January 2013, with the aim of reducing carbon emissions from vessel activities worldwide. Ship Energy Efficiency Management Plans (SEEMP) have been developed for each vessel and outline the various fuel saving measures that can be employed in order to reduce its emissions.

T-MOS' EMS also includes new procedures such as a waste management plan on each vessel which outlines procedures for recycling, sorting and disposing of waste in accordance with the various applicable legislations. In 2014, training sessions were delivered to the crew by the Vessel Chief Officer.

As a result of the introduction of a more demanding Vessel General Permit introduced in December 2013 in the United States, T-MOS adapted its procedures accordingly. Amongst the most notable changes, the Vessel General Permit placed requirements on vessel operators to replace all oils coming into contact with the sea with Environmentally Acceptable Lubricants.

In 2014, T-MOS's environmental advisor issued regular Internal Environmental Notices on different topics of importance, outlining new requirements or lessons learnt and how they apply to operations. A copy of these notices shall be displayed on the vessels' notice boards in order to inform all personnel onboard. The subjects previously described in this section have been addressed and communicated to T-MOS vessels through this type of notification.

In October 2014, T-MOS launched new Environmental Reports for all T-MOS managed vessels. These reports consolidate each vessel's environmental performances. They also summarize the SEEMP operations performed during the month, such as reduced transit speed or single engine used in port and present associated fuel and exhaust gas emissions savings.

4.3.2. Increasing Awareness and Training

a. HSE training

In 2014, HSE training continued to focus on the development of leadership and communication with the support of the internally-developed Pulse program, in addition to specific HSE aspects.

	2014	2013	2012	2011
Number of HSE training hours (Total workforce and sub-contractors) (1)	814,214	709,897 (2)	421,019	180,922

(1) Number of hours on site.
(2) For 2013, hours have significantly reduced since the 2013 Reference Document due to a change in data made by a construction site.

The table above provides Technip's total number of HSE training Man-hours, including on environmental awareness. This HSE training consists of HSE induction for newcomers, HSE briefings and the Pulse training program. Some sessions are dedicated to environmental topics such as waste management, hazardous material management, spill control procedures and environmental briefings delivered to all relevant personnel; specific sessions are usually delivered to construction sub-contractors 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.

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

PULSE PROGRAM

Launched in 2008, the Pulse program aims at improving the Group's Health, Safety and Environment climate by raising awareness and encouraging employees to be proactive based on leadership and communication. At the end of each session, program participants commit to personally engaging with HSE initiatives. In 2014, approximately 3,900 people followed the "Pulse for the Office" module (which equates to around 6,100 people in total from the module's launch in 2013). The module includes an exercise in which participants are asked to discuss what is currently being done in their entity and what further actions could be taken to improve Technip's environmental performance. In addition, over 3,300 engineers and design personnel followed the "Pulse for Engineers" module in 2014, which encourages participants to consider the impact that their design decisions will have on the environmental performance during the entire lifecycle of the facilities and processes that they design.

For more information on the Pulse program, please refer to Section 3.8 of this Annex E.

b. Communication events

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

WORLD ENVIRONMENT DAY

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

In 2014, Technip's environment day focused on the topics of climate change, energy use and carbon emissions, inspired by the UNEP slogan "Raise your voice, not the sea level". This theme provided an opportunity to emphasize to Technip's whole workforce the importance of environmentally sustainable practices, not only in daily operations, but also in conceptual and design activities. The awareness of environmental issues on a daily basis, both at work and at home, encourages the workforce to take proactive measures towards sustainable development and resource consumption.

In 2014, this event was observed widely across the Group and sponsored by the President and COO. Not less than 35 entities and Projects in 22 countries participated, organizing numerous activities involving the entire workforce, including contracted staff and sub-contractors. A presentation prepared at Group level and personalized by sites was delivered to the personnel. Entities and Projects organized many local initiatives focusing on their significant environmental aspects and issues.

Technip's offices in China offered science activities in order to provide employees and their children with information about the environment.

Two major construction sites, in Algeria and in Mexico, organized site cleaning campaigns involving the whole workforce, subcontractors and clients. In respect of the Algiers Refinery, stands were set-up to provide information by way of posters and videos on waste segregation and recycling where more than 1,200 people participated.

In Malaysia, Asiaflex contributed to the Word Environment Day celebration by holding tool box talks on the topic of the year and organized a beach clean-up in their adopted fishing village, Perigi Acheh. Asiaflex had more than 20 volunteers from families of Asiaflex employees to help in this effort. By the end of the event, the volunteers collected more than 26 bags of waste from the beach.

In Brazil, in São João Da Barra, an environmental fair was organized, promoted by the Municipal Education Department in partnership with Municipal Environment Department and Technip. The event, open to local schools and the community, involved the presentation of the works carried out by the students on local ecosystems.

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

ENERGY DAY

In 2011, an annual "Energy Saving Day" was launched in order to make Technip's workforce aware of good behaviors and positive actions for reducing energy consumption in offices, construction sites, manufacturing plants and vessels. Innovation and use of energy-efficient technologies still need to be increased. Technip also needs to engage more with its business partners to change behaviors in the workplace and at home in order to achieve lasting energy savings. These significant savings can only be achieved through effective engagement and communication. To meet these challenges, Technip has decided to observe a Group-wide "Energy Saving Day" every year in December.

On December 10, 2014, offices in Paris-La Défense (France) organized a conference on the Energy Manager® system which has been installed in the offices since 2009 and the reduction the system has achieved in terms of electricity consumption. This conference provided an opportunity to identify best practices for saving energy in offices, as well as for Projects. Similar events were also organized in Kuala Lumpur (Malaysia) and by other entities with the aim of improving employees' understanding of their electricity consumption and achieving a noticeable reduction in usage by encouraging people to save energy.

c. Environmental education programs

Several environmental educational programs have been developed throughout the Group, which have drawn the attention of Technip employees, schools and the local population to environmental problems, whilst at the same time developing Technip's social actions.

Technip is very active in this area in Brazil. The actions implemented by Technip's flexible pipes manufacturing plant located in Vitória (Brazil) are still on-going. The plant, located close to the local community of Ilha do Principe, offers new social and environmental programs organized every year with the contribution of Technip's HSE and Social Management teams with help from voluntary staff.

In 2014, the teams continued to strengthen communication and education skills in partnership with local organizations and neighbouring schools: teachers were provided training on subjects such as sustainable consumption or environmental management whilst students had the chance to participate in photography and music workshops, combining school topics with social and environmental elements.

Since 2012, the team also facilitated the development of a self-sustainable business run by women in the Ilha do Principe community who recycle waste generated by the Vitória plant (such as wooden spools and pallets, ceramics and plastics) and transformed them into handbags, tables, armchairs and other objects which they sell through the cooperative. In 2014, the cooperative continued its activities and generated a source of income for four women and their families and succeeded in recycling approximately 2% of the plant's waste. This is a long-term initiative which Technip will continue to support in the coming years in order to increase the number of people benefitting from the scheme. In 2014, the initiative also won an internal Jacques Franquelin award in the "Encouraging a fair return for all" category.

In addition, with the start-up in March 2014 of a new flexible pipes manufacturing plant located in Açu (Brazil), Technip developed new environmental education programs with students and teachers from local schools to inform and encourage them to protect local ecosystems and natural wildlife (mangroves, sandbanks, local flora, turtles, etc.). 48 students from eight public schools and 26 teachers attended workshops and field classes with specialists. Feedback was very positive and environmental topics will be included in the lessons plan of teachers for 2015.

5. Investing in National Capabilities

Technip is present in 48 countries and has industrial production assets and a large fleet of vessels on five continents. The Group's mission is to deliver safe and successful energy projects to its clients around the world, by running profitable, ecological, rational and ethically-sound projects. Locally, Technip has to manage and rely on effective supply chains while building national capacities and capabilities, to be able to deliver state-of-the-art and competitive projects. In terms of local impacts, Technip's philosophy is to maximize national procurement and employment and to promote partnerships that focus on enhancing skills and boosting national employment. The Group faces two real challenges in terms of its local impact:

- develop multi-stakeholder and long-term action plans to improve social, environmental and economic performance in the regions hosting its permanent operations sites; and
- improve and formalize stakeholder engagement plans in project bidding, design and execution to foster sustainable growth for the stakeholders in all sites where the Group has non-permanent operations.

This Section illustrates how Technip manages its supply chain, contributes to increase capabilities and sustains socio-economic progress at local level through the establishment of multi-stakeholder partnerships. Investing in national capabilities is part of Technip's Sustainable Development Policy.

5.1. SUSTAINABILITY IN THE SUPPLY CHAIN

Technip is a world leader in project management, engineering and construction for the energy sector. The Group never operates alone in delivering its projects and both suppliers (goods and equipment) and subcontractors (services) are vital and critical partners, required for the delivery of successful projects. An integrated approach and a close working relationship are necessary in producing the benefits everyone expects.

5.1.1. Internal Structure to Manage Supply Chain Challenges

The Global Procurement Organization has the mission to:

- develop Technip's knowledge of the markets for raw materials, equipment and subcontracting that are important for its business and more generally offer and implement a global procurement strategy improving competitiveness;
- establish and run an efficient procurement information collection and communication process, within the Global Procurement network itself and within Technip's organization, beyond the network;
- represent the Group toward Technip's top suppliers and manage the relationships at corporate level to develop a long-term partnership and negotiate the Group's frame agreements with Technip's suppliers;
- participate in the bidding process of top suppliers;
- gather and report information critical to Technip's operations;
- define and maintain the procurement rules and procedures applicable to the Group;
- develop and ensure the updating of the Group's Procurement tools and databases; and
- own and update the e-procurement tool open to Technip's suppliers.

The Global Procurement network is organized in matrix-mode with regional and local procurement offices and personnel spread among the various Technip entities worldwide.

5.1.2. Supply Chain Operating Principles and Procedures

To deliver safe and successful energy Projects, Technip has to maintain a strict attention to be able to anticipate whether it is faced with the biggest challenge or the smallest detail.

In line with its mission and values, Technip has developed several Group Operating Principles/Standards (GOPS), Group Instructions and Guidelines in the fields of human resources, communications, quality, HSE, security, finance and control, legal and compliance, project management and execution, IT, technologies, engineering, procurement and construction. The requirements stated in GOPS and Group Instructions are mandatory across the Group and provide the overriding framework within which the regional entities conduct their operational autonomy. To facilitate compliance with the GOPS, corporate teams publish specific Group guidelines that are recommended for support purposes but are not mandatory.

The supply chain is cardinal in Technip's mission and is managed through several GOPS and related guidelines. The emphasis is to maximize sustainability and minimize risk.

The key formal steps undertaken by Technip in the management of its supply chain are as follows:

- **Step 1:** The process begins with Technip's mandatory application of its GOPS Qualification and Performance Assessment of Suppliers. To be qualified for a project, a new supplier must be satisfactorily evaluated, in accordance with Technip's local procedures. Demonstrating the following criteria contributes to the assessment of the human rights risks: commitment and potential to meet Technip principles in terms of health, safety, environment, business ethics and social accountability.
- **Step 2:** Technip's General Terms and Conditions (GT&C), used by the Procurement teams, include a provision regarding Technip's commitments, values and charters, the purpose of which is to mirror the Group's requirements in this respect. The supplier therefore must comply with the Group's corresponding requirements. These general purchase conditions define and govern the principles of performance of the Purchase Order (PO) and form an integral part of the contract entered into with suppliers. Through the acceptance of the PO, the supplier irrevocably withdraws from its own general sales conditions. Technip supports the Global Compact initiative, hosted by the United Nations. The supplier shall perform the PO in full compliance with Technip's commitments, values and charters.
- **Step 3:** Supplier Performance Assessment at Project level (included in GOPS "Qualification and Performance Assessment of Suppliers). Within Technip, the operating unit will prepare a supplier performance assessment after the execution of a PO. Deliverables of this assessment will be a feedback report and a supplier and criticality rating. The supplier will be evaluated, in particular, on the following criteria that contribute to the assessment of the human rights performances: HSE addressing issues, such as company culture and HSE performance.
- **Step 4:** GOPS Risk Management. During the project's entire lifecycle, Technip's risk management process shall be periodically conducted. The level of severity of a risk will be determined by assessing the impact on several criteria, among which the following that address human rights issues: HSE, society, impacts on nearby communities (protests/demonstrations), internal security (labor unrest, sabotage and intrusion) and security management systems (*i.e.,* guarding, patrolling, emergency response and notification).
- **Step 5:** GOPS Joint Notification Procedure of Major or High Potential HSE, Security & Medical Incidents. Major incident will be reported to be able to take immediate action. Some incidents are related to human rights: (i) single or multiple fatalities; (ii) kidnapping and/or murder; (iii) riot, strike with violence against the staff; (iv) civil unrest; (v) major vessel emergency (*e.g.,* piracy, collision, trapped or lost diving bell); or (vi) major environmental incident.

The following are detailed features of the different GOPS and Guidelines that Technip applies throughout the organization for the management of its supply chain.

a. General principles applicable to Technip's procurement policy

This GOPS sets out the governance principles included in Technip's Procurement Policy and ensures that:

- procurement activities are performed in compliance with the Group Values and Policies;
- authority roles and responsibilities are established with suppliers;
- the procedure leading to the purchase of goods and services from suppliers is set. Such procedure is to be conducted on a competitive basis;
- the approval and qualification system of goods and services required for the Projects and for the operation of Technip's entities is defined;
- the implementation of standard GT&C and approval by the Group Legal Division and Particular Terms and Conditions is tailored to the context of each Project;
- the implementation of project procurement execution plans is set at early stage, after the purchase order, to identify specific risks related with, but not limited to, logistics, sourcing constraints and local content requirements; and
- performance appraisals and close-out reports are reported.

b. Qualification and performance assessment of suppliers

This GOPS is to be used by all entities across the organization in the qualification and assessment of performance with all new suppliers and covers the procurement of equipment and associated services, either for projects or for internal use.

To be qualified, a new supplier must be evaluated in accordance with local procedures that cover, as a minimum, the following criteria:

- formal commitment to and compliance with, Technip's principles in terms of health, safety, environment, business ethics and social accountability;
- technical and manufacturing capability to meet the requirements of the work scope;
- demonstration that workload is acceptable vis-à-vis current backlog and manufacturing capacity;
- demonstration experience in management of sub-suppliers, subcontract, expediting and inspection;
- capability to comply with Technip's documentation control and exchange of information; and
- demonstration quality accountability in line with recognized standards such as ISO 9001.

Once new suppliers have been screened using the above criteria, they are then ranked pursuant to the "Criticality Rating", ranging from "not critical" to "highly critical" and one or all of the following actions are triggered:

- review supplier pre-qualification data;
- verify compliance to tender technical information;
- perform surveys or audits focusing in areas of concern identified; and
- perform survey or audits based on qualification criteria.

During surveys and audits, detailed reports are issued to trace the details and topics, including actions to be implemented and ensured by suppliers in contractual documents at the purchasing stage.

Finally, reference is made to GOPS, such as Suppliers' Quality Control Surveillance, that sets rules for monitoring and assessing performance during purchase order execution.

c. Suppliers' quality control surveillance

This GOPS defines the level of inspection for materials and equipment to be purchased by all Technip entities. Inspection levels are a function of the Criticality Rating of the material or equipment and the supplier rating or the supplier qualification result. There are four levels of inspection ranging from verifying quality control records to full monitoring and inspection of supplier activities, from tendering to delivery of equipment purchased.

All personnel involved in the procurement process, from material requisitioning up to delivery (Project Management, Engineering, Procurement, Inspection and Quality functions primarily), have to adhere to this GOPS with an emphasis in the involvement of permanent members of the Inspection network during key inspection activities.

d. Supplier audits and surveys

The objective of this guideline is to define the scope and content of the different audits and surveys required for supplier qualification. It also makes recommendations for the optimization of inspection reviews and project audits during the purchase order execution process. This guideline also improves the selection of suppliers across the Group, ensures that audits and surveys are conducted with a common understanding of the technical risk using Failure Modes, Effects and Criticality Analysis (FMECA) methodology and that reports are shared consistently and effectively across the organization.

In terms of sustainability, this guideline provides instructions during audits and surveys related with:

- safety conditions;
- product quality;
- social responsibility including compliance with local labor laws and in particular for sub-contracted labor;
- health & hygiene; and
- environmental matters including supplier impact on society and local communities.

Different countries will have different standards and laws and, thus, different perceptions and practices on the subject. Therefore, this guideline provides recommendation as to benchmarking suppliers within a given country and to use this information as leverage, to bring minimum acceptable standards.

This guideline associates the template Supplier Sustainable Development Checklist that is to be completed by new potential suppliers at a very early stage of purchase order. It will be applicable in 2015.

Technip Italy, one of the most advanced entities of the Group in this respect, involved, in 2014, 46 suppliers and construction contractors in its CSR Evaluation Process, undertaken during biding and execution phases of different projects. Five of these companies were audited in terms of social responsibility.

e. Subcontracting general principles

This GOPS sets the general principles of governance for subcontracting activities, including specific rules to be applied, from the establishment of a subcontract plan to the award of a subcontract. The general principles are applicable to all entities and joint ventures:

- compliance with Technip's Values, Charters and Policies which may enforce an obligation to implement certain rules within the subcontractors' organizations and in particular regarding anti-corruption practices;
- establishes authority roles and responsibilities with subcontractors; and
- sets the process leading to the purchase of services or works from subcontractors to be conducted on a competitive basis.

Based on compliance questionnaires duly filled in by potential subcontractors, due diligence is conducted where there are any "Red Flags" that serve as a warning sign that there is an increased risk of potential improper behavior on the part of the subcontractor.

Should a Red Flag be identified at pre-qualification stages, then the subcontractor shall not be entered for any project until such Red Flag is removed.

f. Contracted site personnel management standards

This GOPS applies to all entities and sets a common approach regarding the management of construction sites staffing when site personnel is required in onshore and offshore projects. The principles of site staffing are as follows:

- site vacant positions shall first be offered to Technip's permanent staff;
- if no permanent staff is available, priority shall be given to contracted site personnel with a preference for long-term involvement and development; and
- if no contracted site personnel can be made available, then recourse to staffing agencies shall be considered. Specific GOPS are then applicable.

For highly skilled contracted personnel, there is a Long-term Site Staff Management procedure seeking to develop long run relationships encompassing as a minimum career talks, appraisal reviews and compensation package negotiation. These measures are effective to retain high performers, increase commitment and loyalty to deliver successful projects.

5.1.3. Supplier Selection and Capacitation

Since 2006, references to Technip's Values and the United Nations (UN) Global Compact have been included in the Group's general purchasing terms and conditions. In 2014, specific questions relating to sustainable development were included in the supplier pre-qualification questionnaire, completion of which is a condition for inclusion in Technip's procurement database, which will become effective in 2015. These questions are also included in specific questionnaires sent to suppliers. In 2015, Technip plans to increase its interactions and open dialogue on social and environmental matters with its top suppliers.

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

The HSE aspects of these training courses are based on the components of Technip's recognized Pulse HSE program. The aim is to promote leadership and communication on HSE matters in which employees and business partners behave positively and proactively. In 2014, approximately 3,500 persons were trained for the module Pulse for the Workforce, corresponding to approximately 28,000 training hours. Approximately 71% of these training programs were provided to subcontractors on project sites and represent an increase of 55% compared to 2013.

Ethics training for subcontractors consists of an induction program and an introduction to Technip's Ethics Charter. In 2014, the construction sites in Bulgaria and Mexico included ethics and CSR trainings as the induction of employees and sub-contractor personnel. This program provides a common foundation on which there are opportunities to build as the project progresses.

5.1.4. Top Suppliers' Management and Subcontractor Accountability

In 2013 and 2014, Technip started to strengthen its relationships with its top 20 suppliers, who represent approximately a third of Technip's procurement activity worldwide. The aim is to value an active collaboration to build on trust, rather than developing a purely transactional relationship, taking into account short and long-term strategic directions in relation to the following topics:

- improve competitiveness and develop frame agreements;
- increase project and supplier satisfaction;
- promote teamwork to increase engineering and construction optimization and cost-efficiency including man-hour savings, rework minimization and de-packaging strategies;
- reduce risks in terms of, among others, quality, schedule and claims; and
- increase availability of goods and services in case of an overloaded environment and maximize supplier responsiveness.

The Global Procurement organization launched a satisfaction survey with its top suppliers to rate Technip in relation to its business behavior, effectiveness, communication and provide recommendations for improvement.

Specific questions were also asked in relation to the clarity and completeness of material requisitions related with engineering optimization, procurement practices, quality, environment, health and safety. The information requested was welcomed by the suppliers and identified as an opportunity to enhance a long-term and sustainable business relationships.

From the results of the surveys, the top suppliers consider Technip as a leading EPC Contractor with technology differentiators within the energy sector. However, several axes of improvement were identified in relation to: (i) the Procurement organization in some Regions, (ii) increase early implication of suppliers, (iii) pay attention to bidding phase over costs due to technical design and (iv) set up post-execution meetings to formalize feedback.

In 2015, Technip's top 20 suppliers will be asked to participate in actions leading to the assessment and improvement of value-creation in business performance, environmental protection and social welfare. The following specific topics will be developed and are expected to be materialized throughout the supply chain:

- human resources data such as: conditions of employment, health and safety at the workplace, diversity, respect of human rights and labor related standards;
- environmental data associated with supplies of goods and equipment procured by Technip (CO_2 and other greenhouse gases, energy and water consumption, wastewater and solid waste and environmental incidents such as accidental spills); and
- life-cycle data of supplies procured by Technip.

To increase the awareness of the challenges listed in the sections above, the Sustainable Development Department will advise its Sustainable Development Board about the social responsibility risk exposure in relation to subcontractors. It will seek to consolidate and expand its network of supervisors in the regions where the risks are high to manage more effectively at local level the relationships with subcontractors through more comprehensive surveys and audits.

5.2. PROTECTING HUMAN RIGHTS

Fighting corruption and protecting human rights are paramount in Technip's commitment to ethical behavior. Since 2003, the Group is a signatory to the UN Global Compact on human rights, working standards, environmental standards and anti-corruption. Technip endeavors to ensure compliance with domestic and international human rights regulations and principles: UN Guiding Principles on Business and Human Rights, the 1948 Universal Declaration of Human Rights and the International Labor Organization's (ILO) Fundamental Conventions regarding the eradication 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.

5.2.1. The Structures in Place at the 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 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 was to give the Group a more detailed understanding of the various cultures within the Group and to minimize any disparity in working conditions between men and women (see Section 3.4 of this Annex).

Moreover, Technip's workforce is supported through the following key features:

- preventing health risks and encouraging wellness (see Section 3.7 of this Annex);
- protecting individuals at all times (see Section 3.8 of this Annex); and
- security of employees and operations worldwide (see Section 3.9 of this Annex).

5.2.2. Managing Human Rights Risks in the Supply Chain

The activities performed by Technip under the scope of human rights in its supply chain are mostly considered through ethics and compliance, as well as from a health, safety, security and environmental perspective. In 2014, transverse collaboration between the Corporate departments, Human Resources, Procurement, HSE and Legal strengthened a cross-functional approach.

Current situation

On its construction sites, in its offices, in its fabrication sites and onboard its vessels, Technip's priority is always to protect the physical well-being of anyone placed under its responsibility (*i.e.,* employees, contracted and supplier workforce). To achieve this, Technip applies a strict health, safety and environmental protection (HSE) Policy in conjunction with an uncompromising strategy of security adapted to a constantly changing international context (see Section 3.8 of this Annex).

The human rights aspects arising from the conclusions and recommendations of HSE inspections undertaken in 2013 and 2014, in its industrial sites and offices, have continued to be 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 and ILO).

To mitigate any discrepancy between international standards and local legislation, the Group has begun strengthening its procurement procedures through a range of different measures that have been applied since 2014. In this context, a clause was added to the Group's GT&C informing suppliers that Technip supports the United Nations Global Compact. This clause states that "the Supplier must comply with local regulations and legislation concerning labor law and fair working conditions, forced labor or child labor". Additionally, since 2013, the pre-qualification procedures for suppliers have included questionnaires specific to sustainable development issues: Technip is committed to strengthening these aspects of those procedures that relate to the respect for and protection of, human rights.

Human rights are embedded into Technip's processes through the application of relevant Group Charters, Policies and GOPS and associated Guidelines. Please refer to Technip's charters (Ethics, Social, Security, Environment, Quality, Health and Safety Charters), policies (Sustainable Development, Risk, Quality, Health Safety and Environment) and Code of Conduct (currently in progress and expected to be published in 2015).

Improvement Action Plan

Within the scope of its 3-year Sustainable Development Plan, Technip is currently setting-up a strategy to strengthen awareness for sustainability issues in the supply chain, such as: (i) conditions of migrant workers, (ii) due diligence of activities and purchased products, (iii) supply chain monitoring/audits towards human rights issues, (iv) supplier code of conduct, social and environmental risk prevention, (v) effective grievance mechanisms, (vi) energy use and (vii) greenhouse gas emissions in the supply chain. The Group has identified the following areas requiring top priority for action:

- With respect to its clients, Technip's management intends to engage as often as necessary with its counterparts to develop joint approaches and action plans to minimize human rights related risks. It is capital for Technip, as a contractor of oil and gas companies, to engage with its clients to jointly agree on actions addressing human rights issues in the supply chain. In 2014, Technip started this action with two major clients.
- With respect to its suppliers and construction subcontractors, Technip intends to engage and establish a dialog with them to understand and develop specific actions to manage human rights related risks. Without wishing to delegate its own responsibilities in this context, Technip's clients very often share this responsibility and the Group intends to develop a top down plan, in both medium and long terms, to protect more effectively the rights of employees and workers throughout the supply chain. In 2014, Technip started this action with two major suppliers. In 2015, Technip's top suppliers representing the most important turnover will be addressed.
- With the aim of ensuring an efficient and effective protection of human rights, Technip plans on seeking support from recognized organizations such as the Danish Institute for Human Rights and being assessed in the future to measure its progress. This will be the opportunity for Technip to engage with peers and competitors to address a global issue. In this context, Technip will start formalizing its application of the UN Guiding Principles on Business and Human Rights.
- With the aim of ensuring an efficient and effective protection of human rights, Technip plans to introduce a Group Human Rights Charter, the terms of which will aim to follow OECD guidelines. This new declaration, which Technip's suppliers and subcontractors will have to comply with, will add to the existing six charters and four policies that publicly state and promote the Group's core Values and Principles.

5.2.3. Initiatives Implemented at Local Level

Human rights, being a very broad and sensitive matter, cannot be handled across all countries in the same manner. The following paragraphs illustrate some of Technip's best practices that are applied among the countries where it operates. These best practices represent valuable and inspirational examples which the Group may apply whenever appropriate and feasible.

a. Measures that structure and regulate practices

The Angolan employment legislation includes measures and penalties to prevent forced labor practices. All of Technip's employees working in Angola 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 responsibilities is detailed in a transfer form or letter of amendment, issued and signed by the Company and signed by the relevant employee.

Technip's entity in Colombia is involved in the *"Aquí estoy y actúo"* initiative, which provides companies with a dedicated system designed to ensure an effective collaboration between companies committed to preventing child labor. The Colombian entity is an active participant in the voluntary multipartite initiative Guides Colombia led by the *"Ideas para la Paz"* foundation, created to ensure that Company Projects respect human rights.

In Brazil, Technip 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. In Brazil, Technip places great emphasis on equal opportunities for everyone, in accordance with local legal obligations. As a result, 36 young people have gained their first work-experience. In the Brazilian labor market, Technip's disability inclusion policy leads the way on this issue. This policy acts as a guide to supporting already recruited disabled people and encourages further recruitment.

b. Employee satisfaction measurement

In 2014, the Group launched a global survey to assess employee adherence and understanding of Group mission, vision and values and identify key differentiation with Technip competitors. This survey revealed that:

- 96% of the employees would recommend Technip as an employer; and
- 85% of the employees have already recommended Technip as an employer.

This survey allowed the Group to collect local perceptions of Technip's employees across all entities worldwide.

Since 1919, India, a founding member of the ILO, has been an active participant in the organization and remains a permanent member of its governing body. Technip India applies the principles of non-discrimination on the basis of religious belief, ethnicity, caste, social category and place of birth/residence. In 2014, an employee satisfaction survey revealed that 77.4% of its employees were happy with their work/life balance.

In Qatar, Technip has introduced welfare committees to improve living conditions for workers and personnel in its jobsite camps.

Since 2003, in Italy, Technip has been receiving the Social Accountability 8000 (SA 8000) relating to social responsibility. On construction sites, such as Saudi Arabia, where unions are not formally authorized, 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 solve these issues. These provisions and initiatives involve subcontractors: the social responsibility management system applies to the organizational structures and work done by subcontractors on construction sites. The subcontractors must comply with the health and safety requirements set out in Point 3 of the SA 8000 certification procedure, which requires them to perform emergency exercise simulations, conduct risk evaluations on the work performed and provide training and awareness programs on a range of CSR topics.

c. Regular inspections

Aware of the discrepancy between international human rights standards and local legislation, Neptune Maritime, an entity 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 2015, Technip will continue to strengthen all of its human rights compliance procedures at every level of its business, in the same way that 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 engage even more often with individuals responsible for sustainable development issues within client organizations to develop a joint approach on their shared exposure to human right-related risks.
- On some construction sites in high-risk locations where Technip is both a subcontractor and a contractor, it is essential for Technip to involve all parties and in particular its supply chain, who are potentially responsible 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 to establish a partnership vision to protect the rights of employees and other project workers more effectively.

The abovementioned specific human rights actions throughout the value chain will be strengthened with the Human Rights Charter (to be published in 2015). 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. In 2014, the Group's Human Rights Charter will: (i) put special emphasis on protecting children's rights to restate its commitment to the ILO conventions on the effective abolition of child labor pursuant to Article R. 225-105-1.-II of the French Commercial Code *(Code de commerce)* and (ii) wholeheartedly participate in the movement initiated by UNICEF to draw greater attention to child protection issues worldwide.

5.3. DEVELOPING LOCAL ECONOMIES

GRI G4 EC8

National content constitutes one of the six pillars of Technip's strategy that is reinforced in practice by the Sustainable Development Policy. The diversity of socioeconomic needs and expectations in the different locations where Technip operates makes it impossible to systematize any national content strategy. However, the Group encourages and sponsors every entity and project team to develop local initiatives in accordance with national legislation, contractual obligations and best practice.

Whenever feasible, Technip wishes to apply five principles in its national content actions, as follows:

- adapt actions taking into account local, regional and national needs, expectations and capacities across stakeholder groups instead of trying to import success stories from other contexts;
- set realistic objectives and achievable targets with relevant performance indicators in the short, medium and long-term with government authorities, business partners and members of the civil society;
- promote and participate in public/private partnerships fostering collaborative development and focusing on training, knowledge and technology transfer;
- adapt the strategy to changes (environment, politics, society and economy) and make progress in agreement with all the stakeholders, particularly with national governments, local communities and business partners; and
- demonstrate that national content is an opportunity rather than a cost with adapted procurement policies as well as incentives and expectations from investors.

In 2014, Technip responded to the rapid pace of change in international contexts by appointing a National Content and Local Communities Coordinator at Group level to promote and harmonize the integration of local content parameters into Group activities. New business opportunities in Africa are formally integrating local content development plans in tenders with associated budgets and national personnel to address the following:

- define strategy for stakeholder engagement and communication and grievance mechanisms;
- formalize national recruitment, training and transfer of knowledge to local personnel;
- contract and procure with national companies;
- develop national small and medium size enterprises;
- initiate partnerships with national universities and governmental education and professional institutions;
- promote environmental protection and cultural heritage preservation;
- enhance health and education levels for local communities; and
- monitor social, economic and environmental performance throughout project execution and beyond.

To create long-term added value for the benefit of local populations and establish a durable presence, the process of developing specific national content plans for each project is not a constraint. Rather, it strengthens the collaboration with Technip's clients, suppliers and subcontractors and represents an opportunity to contribute to the development of the concerned country.

5.3.1. Raising National Employability within Technip

GRI G4-EC6

As of the date of this report, the Group operates in 48 countries with production assets, engineering centers, procurement and construction activities in five continents. This global presence enables Technip to undertake projects with high levels of national content. In 2014, 80.5% of Technip employees on payroll were nationals and 83.9% of staff in management positions were nationals.

	December 31, 2014 (1)		December 31, 2013 (1)	
Country	% of local staff/ staff on payroll	% of local staff/ staff on payroll + inpatriates (2)	% of local staff/staff on payroll	% of local staff/ staff on payroll + inpatriates (2)
Brazil	98.3%	96.9%	98.7%	98.0%
France	94.0%	89.9%	94.6%	91.1%
India	99.8%	98.1%	100.0%	99.4%
Italy	97.9%	94.5%	97.9%	93.7%
Malaysia	85.4%	82.0%	85.2%	80.7%
United Arab Emirates	0.1%	0.1%	0.1%	0.1%
United Kingdom	83.8%	82.9%	87.2%	85.9%
United States	73.5%	72.2%	75.2%	73.1%
(1) 2013 coverage rate: 70.8% of total employees on payroll. 2014 coverage: 72.4%.				
GROUP (3)	**80.5%**	**78.4%**	**81.5%**	**79.3%**

(2) New indicator that takes into account the impact of inpatriates locally.
(3) 2013 coverage rate: 100% of total employees on payroll. 2014 coverage: 100%.

Technip believes that National Content goes far beyond the obligation of compliance with local regulations. At a time when countries are formalizing their own local content requirements, the Group has anticipated this fundamental requirement in many countries.

5.3.2. Growing National Talents in all Regions

Technip's Human Resources Policy seeks to draw on local talent nurseries and help every person expand on her/his full potential. This is one of the goals of the Global Leadership Program launched in 2013. The 2014 and 2015 program consists of 41 participants from 12 different nationalities representing North America, South America, Europe and Asia Pacific and representing a wide geographic distribution across the Group.

The purpose of the program is to build leadership skills for now and the future. The Group's aim is to develop regional leaders who can:

- share their vision and purpose;
- work collaboratively across borders;
- foster team diversity;
- demonstrate an understanding of the business and are effective with senior management; and
- have insight into their leadership strengths and areas for development and are motivated to improve.

Technip is also preparing the future generations with the Project Management Knowledge Transfer that consists in involving experienced mentors with project engineers and junior project managers to develop their skills in the workplace. Launched in 2012, the program is delivered locally according to need. In December 2014, there were 112 participants representing 23 nationalities.

An intergenerational approach to knowledge transfer

As part of Technip's commitment to foster skill transfer and improve employability of local people in emerging countries, the Group has launched the opportunity to involve Technip retirees. The process started in 2013 during the annual meeting of Technip retirees in France where the philosophy and approach were presented. The first concrete action took place in Ghana in 2014. In Ghana, GTES (Ghana National Petroleum Corporation – Technip Engineering Services) organized a 12-day workshop on the fundamentals of subsea engineering for final year students of the Regional Maritime University (RMU). A total of 30 participants comprising students, lecturers and engineers from GTES were taken though the basics of oil exploration to field decommissioning after which they were given certificates. The workshop was successfully facilitated by a Technip retiree with 36 years of experience. From 2015 onwards, this intergenerational initiative will be promoted and will progressively involve Technip retirees located in other countries where Technip operates.

Another initiative emerged in 2013: Technip's involvement in seminars and working groups focusing on national content issues. This gives Technip the opportunity to discuss with a broad range of stakeholders to identify the most relevant methods of responding to the increasing need for local content in operating countries. In 2015, the primary goals for Technip will be to continually increase and monitor the national content of its projects and its international subsidiaries, in accordance with the increasing requirements of local legislation and best practices.

In terms of employability, Technip will seek to:

- train trainers, not only 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 emerging countries through constructive involvement in schools, universities and partnerships with governmental institutions.

5.3.3. Sustaining the Local Economic Ecosystems

GRI G4-EC9

Technip never operates alone in delivering its projects and suppliers are vital partners to deliver successful results. An integrated approach and a close working relationship are necessary in producing the benefits everyone expects. As part of the improvement of the procurement practices, Technip continuously strives to consolidate its supply sources and geographic origins, while maintaining the highest quality standards and availability of strategic equipment and raw materials. In 2014, 40% (corresponding to approximately €1.95 billion) of the overall procurement expenditure consolidated through Spend Map (Global Procurement Tool) was certified to be sourced in the same country of purchase. This reflects the Group's commitment to contributing to the national economies where it operates.

	% of spending certified to be sourced in the same country of purchase	
Country	2014 (1)	2013 (1)
Australia	83%	54%
Brazil	56%	98%
China	20%	46%
France	14%	13%
Germany	78%	65%
India	66%	38%
Italy	25%	29%
Malaysia	27%	24%
Norway	67%	97%
United Arab Emirates	24%	40%
United Kingdom	61%	70%
United States	65%	67%

(1) 2013 coverage rate: 95% of overall Procurement spent for all business segments. 2014 coverage: 96%.

5.3.4. National Content Best Practices

On every continent, Technip has production assets and construction sites with an extensive network of suppliers and subcontractors. This global presence enables Technip to undertake projects with a high level of national content and, in return, develop a strong link between the economies of the host countries and growth. The following are national content best practices.

Ghana: developing national capabilities

In Ghana, an emerging country in the oil and gas market, Technip decided to invest locally by opening a sales office in 2009, followed, in 2012, by the registration of GTES, the Ghanaian engineering center under a joint venture framework between GNPC and Technip. Working in partnership with other operating centers of the Group, 2013 saw the Ghanaian entity successfully deliver the Project Jubilee 2, the second phase of the first world-class offshore field developed in Ghana since 2010. The success of completed projects led to GTES winning its fourth and biggest EPCI contract (Project TEN), to be completed in 2016.

In this context, two Memorandum of Understanding were signed with RMU and Kwame Nkrumah University of Science & Technology (KNUST). The objectives have been to support offshore and Technip's fleet operations as well as developing engineering capabilities through lectures, internships and the foundation of a business incubator for the creation of small and medium size enterprises. In the context of project TEN, a 95-month plan has been set to send Ghanaian engineers to reinforce their technical and managing skills at Technip's offices overseas throughout 2014 and 2015.

In 2014, GTES employs 29 Ghanaians on local contract and six inpatriates. This means that at least 85% of the staff in Ghana is Ghanaian. This figure is in significant anticipation vis-à-vis the Ghanaian law on local content, setting a key goal of 90% of Ghanaian nationals to be employed in international companies operating in the country before 2023.

Angola: maximizing local content

Technip has been working in Angola for over 40 years, through a combination of strong local presence and heavy involvement of its international entities.

Since early 2000, Technip has invested in a unique combination of ventures in Angola, Angoflex, the only umbilical plant in Africa and the only permanent spoolbase in Africa and Technip Angola, the first and largest project management and engineering office in Angola. The key of Technip's strategy is the maximization of high-end Angolan content, not only in terms of employment and investments, but also in terms of know-how transfer and training programs to contribute actively to the economic and social growth of Angola.

In 2014, the two entities employed 387 employees on payroll with an Angolan content of 99.7%. This figure has been significantly increasing over the past years with the implementation of projects bringing state-of-the-art technologies and unmatched Angolan content such as CLOV for Total, Block 15/06 West Hub for ENI, GirRi 1 and 2 for Total, Frame Agreement for the two Floating Production Storage and Offloading units of Block 18 and 31 for BP, GLA Front End Engineering Design (FEED) for Chevron and Punja FEED for Sonangol P&P. In 2014, the award by Total to Technip of the Kaombo project, the largest subsea project ever awarded, will further contribute in the coming years to Technip's sustainable footprint in Angola.

Mozambique: building a sustainable future

As part of Mozambique's recently discovered offshore gas fields and new business opportunities where Technip is currently participating, in September 2014, three major partnerships were formalized through a Memorandum of Understanding:

- the national oil company ENH (Empresa Nacional de Hidrocarbonetos) to promote training and transfer of Subsea technology;
- ENH and UEM (University Eduardo Mondlane, faculty of engineering) for education and training of future Mozambican engineers in gas projects; and
- ENH Logistics (Subsidiary of ENH) for the creation of an engineering center in joint venture with Technip.

Technip has also contributed to UEM by donating engineering books for the benefit of Mozambican students. The Group intends to become a key player in the sustainable development of Mozambique.

Tanzania: developing University capabilities

In December 2014, Technip signed a Memorandum of Understanding with the University of Dar es Salaam (UDSM) with the aim of promoting the education and training of students and research in the field of energy projects to the benefit of Tanzanian students. In the medium-long term, this will be a source of recruitment for Technip and the Tanzanian Oil and Gas Industry. The cooperation will be elaborated around the following potential concrete actions:

- development of new curriculum programs fostering collaboration with other universities;
- support laboratory, library and IT with equipment, software and Oil and Gas literature;
- initiate opportunities for UDSM students' internships abroad;
- provide scholarships for Tanzanian students;
- provide seminars and lectures in Oil and Gas to UDSM students; and
- support UDSM final year students and postgraduate students to initiate a professional career in the energy sector.

The Group has contributed to UDSM by donating engineering books for the benefit Tanzanian students during signing of the Memorandum of Understanding.

Congo: training trainers

Congo has experienced solid economic growth and has always had a bright future in oil. However, Congo must invest in infrastructures and in the future generation to acquire a hand-skilled workforce. Standards in the oil & gas business are becoming more demanding and the educative system in Congo needs to be adapted to market requirements. This is a key challenge to employment and development.

In 2013, Technip decided to invest locally by opening a new branch. The Subsea project Moho Nord leads long-term agreements with local NGOs, partners and Congolese authorities that benefit local communities. Considering the key role that training plays in local development, the project is conducting a series of initiatives to train Congolese students and engineers.

Moho Nord and the Congolese Technology Institute ISTAC entered into a partnership to train local students on different activities including HSE, quality, production, planning and operations. Two final-year ISTAC engineers are conducting an "industrial project" supervised by Technip's Logistics team. This hands-on training takes place at Technip's fabrication yard, especially erected in Pointe Noire for the Moho Nord project.

Furthermore, a Congolese engineer was offered a 15-month on-the-job training as an "Installation engineer" with the Technip team in Paris, with the aim of returning to Congo to sign up for offshore operations which is planned to start in 2015.

Technip is also actively participating to the "Train the Trainers" program initiated by Total E&P Congo on the Moho Nord project. The objective is to help Congolese Universities expand their internal teaching competencies in the oil & gas business. Several training modules are offered to a pool of university teachers – modules defined to cover the execution of a major oil and gas project (from design to construction and offshore work). At the end of each module the participants are provided with a set of training materials and documentation to help them teach future Congolese engineers. The target is to train 15 teachers over three years.

The transfer of skills is essential for young Congolese engineers to acquire a sustained background and allow them to be hired by national and international local companies. By prioritizing local recruitment, Moho Nord plays a key role in local employment.

Malaysia: boosting national skills

Malaysia has experienced a very rapid economic growth with negative migration rates during the last years. This situation translates into high skilled Malaysians working abroad and international companies forced to hire inpatriates in top positions. To counteract these trends, Technip Malaysia has been developing specific programs combining theory training, onsite learning and formal certification to piping and structural engineering addressed exclusively to young Malaysian professionals. These initiatives have been coordinated through partnerships with the governmental agencies SHRDC (Selangor Human Resources Development Centre) and TalentCorp. In addition, Memoranda of Understanding have been signed with four different Malaysian universities. Since 2006, as a result of these initiatives, 114 engineers have been trained and certified and 90 have been hired by Technip in piping disciplines. Since 2012, a total of 15 engineers have been trained, certified and hired by Technip in structural disciplines. Finally, since 2009, 383 Malaysian employees have seconded through overseas assignments within Technip's Group.

Colombia: building the offshore future

As part of anticipating Colombia's Offshore new opportunities, Technip has developed a long-term agreement with the University of los Andes (one of the top engineering schools in South America) to create the basic know-how of the offshore oil and gas industry in the country. With the help of its clients Anadarko and Shell, Technip has been sending experts from Houston to teach specific lectures on exploration, drilling, Subsea engineering, Offshore facilities, Offshore HSE Awareness and maintenance and operations of Offshore facilities. In 2014, the course had 14 modules totalling 112 hours. Since 2012, 103 students have participated and Tipiel (Technip in Colombia) has trained 45 of its engineers. Technip USA, Inc. has sent 14 of its experts to support the effort. In 2015, Ecopetrol (Colombia's national oil company) will join the effort and the program will increase its number of modules to 17, totalling 136 hours. In 2016, Technip is planning to start a specialization in Offshore Engineering and Management with this university.

6. Building Long-Term Relationships with Local Communities

DMA GRI G4-SO1, G4-SO2 and G4-HR8

Technip makes every effort and endeavors to respect local cultures and to maintain an open and transparent dialog with the communities that host its Projects to seek social, economic and environmental benefits, as a mutual priority. Technip encourages its operating centers and project teams to develop their own initiatives to support local welfare in compliance with applicable national legislations while maintaining the highest levels of ethics and compliance. In 2014, the Sustainable Development Policy was issued to formalize Technip's engagement toward all aspects of social responsibility and to include the development of long-term initiatives in favor of local communities hosting or living near the sites where the Group operates worldwide.

In addition, since the creation in 2012 of the Sustainable Development Department at Corporate level, best practice identification and promotion has been enhanced by liaising and facilitating initiatives with local communities within all of Technip's entities worldwide. Every year since 2006, each Technip entity formally reports its initiatives supporting local communities to the Group's Human Resources Department and best practices are shared through different communication channels including the internal newsletter *"Technip in Motion"* and, since January 2014, through both the intranet and the Group's internet sites.

In 2014, Technip responded to local communities' needs and expectations in different ways:

- various types of donations including, among others, to orphanages, cancer research and charities, social and sporting events and generally involving staff volunteers. In 2014, the total amount of donations by Technip's entities (excluding Corporate) exceeded €1,430,000;
- emergency aid or localized humanitarian help, in particular through Technip Relief & Development Fund and employee-based solidarity initiatives, were timely conveyed towards the communities suffering from natural disasters in coordination with inter-governmental organizations, such as the Red Cross and the Red Crescent; and
- long-term development initiatives focusing on children's health and education, adult employment and environmental protection with strong ties to schools, universities and public institutions. In 2015, Technip intends to pursue its efforts in formalizing, empowering and initiating a series of actions that meet local needs and expectations. Emphasis is to be placed on integrating social, environmental and economic self-sustainability.

6.1. A CLOSE AND SUSTAINED RELATIONSHIP

Working with local communities starts by understanding the overall situation of the country, region and villages where Technip has the potential to exercise a positive influence on social, environmental and economic self-sustainability. The intrinsic goal and motivation of every initiative towards local communities is to empower them to work gradually towards the implementation of concrete long-term actions.

Technip considers local communities as essential stakeholders with interests, needs and expectations that differ from the Group's entities or projects. From the experiences shared by some of the Group's most advanced entities maintaining relationships with local communities, Technip obtains the support from local communities that is vital to the success of every project of the Group.

These entities (see below for examples) have established that the first step is to identify who these stakeholders are and how to build trust with them. This also requires an understanding of the particular organization and culture to be able to establish a transparent dialog with the community leaders, at the heart of the communities and assess the value of tangible initiatives or projects. Local authorities and government institutions, as well as local NGOs or intergovernmental organizations, as applicable, may be invited to participate through collaborative discussions, however, in most cases, seeking the approval and attention of the communities' leader is usually the first step of any process. In the years to come, Technip intends to strive to foster this approach in as many projects as possible.

As mentioned above, Technip focuses its support to local communities on children. Building a sustainable future starts with caring for the wellbeing, 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 a country, may vary. A comprehensive list of detailed initiatives is available on Technip's website (www.technip.com) for several countries where Technip operates. Section 6.3 of this current Annex E shows the best practices with local communities that have been identified across the Group.

6.2. TECHNIP'S RELIEF AND DEVELOPMENT FUND

Established at the end of 2011 to reinforce the Group's corporate social responsibility, the Technip Relief and Development Fund is part of Technip's strategy to strengthen its local presence in countries in which it operates. This endowment fund, whose financial resources are provided by the Group, has two main objectives:

- Support non-profit projects for the benefit of local communities in countries where Technip has a permanent foothold, especially those needing significant improvement in health or education. For this particular objective, Technip's employees are encouraged to submit initiatives in which they are involved. Once their projects have been confirmed as being eligible in terms of compliance (GOPS Social Donations and Charitable Contributions), these projects receive financial funding;
- Support emergency missions and natural disaster relief in case of natural disaster, after approval by the Fund's Board of Directors.

The Board comprises the Group Human Resources Director and Chairman of the Fund, the Corporate Doctor, the Group HSE Director and the Head of Sustainable Development. Its mission is to review and approve petitions submitted to it.

In the event of a disaster, all employees can donate through the Fund, which works in partnership with the International Red Cross/Red Crescent through the intermediary of the French Red Cross. In such cases, the Group matches all employees' donations.

In 2014, the Fund was used for the following projects:

- Angola: provide support for vaccination campaigns and medical prevention in Moxico, literacy classes in Mota and Bengala (under a compliance survey) and support to Samu Social International (Luanda);
- Mozambique: donate engineering books for the University Eduardo Mondlane in Maputo; and
- Tanzania: donate engineering books for the University of Dar es Salaam.

In addition, the Technip Relief and Development Fund decided to support the Ready Fund (the French Red Cross disaster preparedness and response fund), a financial reserve that can provide immediate support to ensure a fast and efficient response to natural or man-caused disasters and to promote preparedness in lessening the impact of predictable crisis. The Fund is funded by corporate donations and sponsorship, including Technip's. As a comprehensive response tool, it allows the French Red Cross to intervene before, during and after crises, whether these are exposed to the media spotlight or remain silent. Since 2012, Technip's donation has been fixed to €50,000 per year. In 2014, the Fund supported the following actions:

- Vietnam: increase capacities of vulnerable ethnic minority communities and local actors to prepare for disasters and reduce risks through a gender-sensitive, participatory and replicable approach;

- Central African Republic: improve sanitary conditions for refugees;
- Philippines: housing reconstruction after typhoon Haiyan;
- Bosnia and Herzegovina: assistance to flood disasters; and
- Guinea-Conakry: support against the spread of the Ebola virus.

Finally, since 2012, the Group has established a three-party agreement allowing Technip's Corporate Doctor to be available, for up to three weeks per year, to provide medical care alongside the Red Cross teams in the event of natural disasters. In 2014, Technip's Corporate Doctor was sent for a 3-week evaluation mission in Gueckedou (Guinea-Conakry), the Ebola virus disease epicentre. The mission included coordination and assessments with local authorities and training Guinean Red-Cross volunteers in Ebola sensitization for population, housing disinfection, appropriate treatment for infected bodies and safe burials.

6.3. BEST PRACTICES WITH LOCAL COMMUNITIES

The following sections are examples of best practices having positive impacts upon local communities.

6.3.1. Colombia: 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. In that difficult environment, a group of women, heads of households, resolved to gather and create several community businesses including a grocery store, a food processing plant and a collective restaurant. This was made possible through micro-credit lending to community members. The role of Tipiel (Technip's entity in Colombia) was essential as it contributed to the following:

- strengthening the micro-credit fund to expand the coverage and increase the number of beneficiaries;
- expanding the institutional support of the initiative through legal advice and back-up;
- advising on marketing processes; and
- providing consulting engineering for the construction and revamping of the production unit.

After 19 years of continuous efforts, *Merquemos Juntos* became a corporate reality and a tangible example of self-sustainability in Colombia. In 2014, according to the latest available data presented at a Global Compact forum, *Merquemos Juntos* has 10 employees, 2,209 persons have benefited from the initiatives and 1,634 projects were essentially monitored by women of the community. Ecopetrol, Colombia's major oil company, Technip's main client in this country, awarded Tipiel with the 2012 Contractors Excellence Awards contest for its performance in social responsibility.

6.3.2. Brazil: Technip's Program *Juventude*

This program aims at preparing young members of a local low-income community for university admission tests. The process is partly financed through tax paid by Technip that is used by the governmental education agency SENAC *(Serviço Nacional de Aprendizagem Comercial)* to provide teachers and learning material. Technip provides facilities (classrooms) and school supplies. The program comprises several modules on topics such as ethics, citizenship, environment, safety and entrepreneurship, Portuguese and mathematics. In addition, Technip volunteers participate by providing vocational training in manufacturing of flexible pipes and general engineering. Finally, several universities participate by granting scholarships to those successful candidates. In 2013, five students successfully completed the program and were offered scholarships from three universities. At the end of 2014, a new session began and results will be known in 2015.

6.3.3. Angola: Assistance to Street Children

In 1992, Arnaldo Janssen Center/CACAJ *(Centro de Acolhimento de Crianças Arnaldo Janssen)* was established and has a total capacity of 120 children. End of 2011, this center was granted the status of a private non-profit organization, which allowed it to become more stable and viable, both institutionally and financially. The center offers basic medical care and social welfare. It also houses classrooms and vocational training workshops (electricity, welding, computer and other handicraft activities). The center accommodates street children, regardless of their social or center religious profile. CACAJ is implementing the following services for its beneficiaries in the center, to proceed to their familial or social reinsertion:

- mobile team to support street children and provide sheltering;
- psychosocial and medical support; and
- administrative and legal support to increase opportunities for social insertion.

In 2014, Technip Angola decided to incorporate the assistance it provided to CACAJ into its strategy for sustainable development and has been supplying 60 storage lockers, personal computers and medicine, in line with the identified needs. Following this primary initiative, Technip is now working closely and in trust to bring further support to CACAJ and help the street children of Luanda with their reinsertion.

6.3.4. Spain: Supporting Disabled People

Since 2006, Technip in Spain has been collaborating actively with several official organizations that mainly employ disabled personnel to provide, among others, cleaning services, office furniture, personal protection equipment and garden services. This scheme is part of an agreement set by the government authority for companies that have difficulties in meeting the minima percentage of disabled employees on total payroll. In nine years of cooperation, Technip has built a relation of trust and developed a significant business partnership. In 2014, the amount spent for services was more than twice the legal obligation, *i.e.,* €215,000. This initiative, together with other voluntary actions, highlights Technip's commitment to social responsibility in the long run.

6.3.5. Malaysia: Empowering the Seletar Indigenous Community

Technip in Malaysia 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 achieving economic self-sufficiency.

7. Content Index

GRI G4-20, G4-21 and G4-32

MATERIALITY DISCLOSURES SERVICE

In blue: Aspects related to Technip commitment to the ten principles of the UN Global Compact.

GENERAL STANDARD DISCLOSURES

General Standard Disclosures	Section/Page	External Assurance (**)
STRATEGY AND ANALYSIS		
G4-1	Activity and Sustainable Development report: Thierry Pilenko's interview and Colette Casimir interview pages 22 to 25	-
ORGANIZATIONAL PROFILE		
G4-3	Section 5.1.1 page 31	✓
G4-4	Section 6 pages 37 to 53	✓
G4-5	Section 5.1.4 page 31	✓
G4-6	http://www.technip.com/en/about-us/technip-worldwide/main-locations-country	✓
G4-7	Section 8.1 pages 56 to 61	✓
G4-8	Section 3.1 pages 7, 8 and Section 6.1 pages 38 to 42	✓
G4-9	Section 3.2 pages 8 to 10, Section 8.1 pages 56 to 61, Section 10 pages 74 to 76 and 17.1.1 pages 111 to 113	-
G4-10	Annex E, Section 3.2 pages 271 to 274 and 3.5.1 page 283	✓
G4-11	Annex E, Section 3.6 pages 284 to 285	✓
G4-12	Section 6.5 page 52 and Annex E, Section 5.1 pages 313 to 316	✓
G4-13	Section 6.1.2 page 42, Section 8.1 pages 56 to 61 and Section 20.1. Note 2 page 146	✓
G4-14	Section 4 pages 11 to 30, Annex E, Sections 3.7, 3.8, 3.9 pages 285 to 291	✓
G4-15	Section 4.8 pages 25 to 30, Annex E Section 1.2 pages 261 and 262, Section 3.9 pages 289 to 291 and Section 4.1.2 page 292	-
G4-16	Annex E, Section 1.1.3. pages 254 to 258	✓
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES		
G4-17	Section 8.1 page 56	✓
G4-18	Annex E, Section 1.1.3.c page 257	✓
G4-19	Annex E, Section 1.1.3.c page 258	✓
G4-20	Annex E Section 1.1.3.d page 258 and Section 7 (Specific Standard Disclosures Table) page 327	✓
G4-21	Annex E Section 1.1.3.d page 258 and Section 7 (Specific Standard Disclosures Table) page 327	✓
G4-22	No restatement of information	✓
G4-23	No significant changes	✓
STAKEHOLDER ENGAGEMENT		
G4-24	Annex E, Section 1.1.3.a page 254	✓
G4-25	Annex E, Section 1.1.3.a page 254	✓
G4-26	Annex E, Section 1.1.3.a page 254, Section 1.1.5 page 259 and Section 2.4.1 page 266	✓
G4-27	Annex E, Section 1.1.3.b page 256 and Section 1.3 page 263	✓
REPORT PROFILE		
G4-28	January 1, 2014 to December 31, 2014	✓
G4-29	December 31, 2013	✓
G4-30	Annual	✓
G4-31	Colette Casimir	✓
G4-32	Annex E, Section 7 pages 326 to 328 and Annex F pages 329 to 331	✓
G4-33	Annex E, Section 1.1.5 page 259 and Annex F pages 329 to 331	✓
GOVERNANCE		
G4-34	Section 14 pages 84 to 91 and Section 16 pages 102 to 110, Annex C pages 232 to 248 and Annex E, Section 1.1.2 pages 252 to 254	✓
ETHICS & INTEGRITY		
G4-56	Annex E, Section 1.1.1 page 252, Section 1.1.2 pages 252 to 254 and 1.2 pages 261 to 263	✓

(**) The statement of external assurance is located in Annexe F, Section 1 page 330.

SPECIFIC STANDARD DISCLOSURES

Material Aspects	Indicators, Disclosure on Management Approach (DMA)	Coverage	Boundary Within Technip	Boundary Outside Technip	External Assurance (**)
CATEGORY: ENVIRONMENTAL					
Energy use	G4-DMA: Annex E, Section 4.2.2 pages 297 to 301	Fully	Offices, Fleet, Industrial sites, Construction sites	Suppliers	✓
	G4-EN3: Annex E, Section 4.2.2.a pages 297 to 299	Fully			✓
	G4-EN5: Annex E, Section 4.2.2.a pages 297 to 299	Fully			✓
	G4-EN6: Annex E, Section 4.2.2.a pages 297 to 299	Partly			✓
Emissions: Greenhouse Gas (GHG)	G4-DMA: Annex E, Section 4.2.2.b pages 299 to 300	Fully	Offices, Fleet, Industrial sites, Construction sites	Clients, Suppliers	✓
	G4-EN15: Annex E, Section 4.2.2.b pages 299 to 300	Fully			✓
	G4-EN16: Annex E, Section 4.2.2.b pages 299 to 300	Fully			✓
	G4-EN18: Annex E, Section 4.2.2.b pages 299 to 300	Fully			✓
	G4-EN19: Annex E, Section 4.2.2.b pages 299 to 300	Partly			✓
Emissions: other air pollutants	G4-DMA: Annex E, Section 4.2.2.c pages 300 to 301	Fully	Fleet, Industrial sites, Construction sites	Clients, Suppliers	✓
	G4-EN20: Annex E, Section 4.2.2.c pages 300 to 301	Fully			-
	G4-EN21: Annex E, Section 4.2.2.c pages 300 to 301	Partly			✓
Biodiversity and ecosystems	G4-DMA: Annex E, Section 4.2.5 pages 306 to 307	Fully	Fleet, Industrial sites, Construction sites	Clients, Suppliers	✓
	G4-EN11: Annex E, Section 4.2.5 pages 306 to 307	Partly			-
	G4-EN12: Annex E, Section 4.2.5 pages 306 to 307	Partly			-
Hazardous substances (*)	DMA: Annex E, Section 4.2.4 pages 304 to 306	Fully	Fleet, Industrial sites, Construction sites	Clients, Suppliers	✓
	G4-EN24: Annex E, Section 4.2.4 pages 304 to 306	Fully			✓
Water & wastewater (*)	DMA: Annex E, Sections 4.2.3a and b pages 301 to 303	Fully	Offices, Fleet, Industrial sites, Construction sites	Clients, Suppliers	✓
	G4-EN8: Annex, E Section 4.2.3.a pages 301 to 302	Partly			✓
	G4-EN22: Annex E, Section 4.2.3.b pages 302 to 303	Fully			✓
Solid waste (*)	DMA: Annex E, Section 4.2.3.c pages 303 to 304	Fully	Offices, Fleet, Industrial sites, Construction sites	Clients, Suppliers	✓
	G4-EN23: Annex E, Section 4.2.3.c pages 303 to 304	Fully			✓
	G4-EN25: Annex E, Section 4.2.3.c pages 303 to 304	Partly			✓
CATEGORY: SOCIAL					
Labor practices and decent work					
General conditions of employment	G4-DMA: Annex E, Section 3.2.2 pages 273 to 274	Fully	Employees		-
	G4-LA1: Annex E, Section 3.2.2.a page 273	Fully			✓
	G4-LA3: Annex E, Section 3.2.2.b pages 273 to 274	Partly			✓
Diversity and equal opportunity	G4-DMA: Annex E, Section 3.4 pages 280 to 283	Fully	Employees		-
	G4-LA12 Annex E, Section 3.4 pages 280 to 283	Partly			✓
Safe and healthful workplace (*)	DMA: Annex E, Sections 3.7 and 3.8 pages 285 to 288	Fully	Employees	Contracted workforce	-
	G4-LA6 Annex E, Sections 3.7 and 3.8 pages 285 to 288	Partly			✓
	G4-LA8 Annex E, Section 3.6 pages 284 and 285	Fully			✓
Employee development (*)	DMA: Annex E, Section 3.3 pages 275 to 280	Fully	Employees		-
	G4-LA9: Annex E, Section 3.3.2 pages 279 to 280	Fully			✓
	G4-LA11: Annex E, Section 3.3.1 pages 275 to 278	Fully			✓
Human rights					
Human rights	G4-DMA: Annex E, Section 5.2 pages 316 to 318	Partly	Employees	Contracted workforce, Local communities, Clients, Suppliers, Sub-contractors, NGOs	✓
Indigenous and local communities rights	G4-DMA: Annex E, Section 6 pages 322 to 325	Partly		Local communities, NGOs	-

(*) Aspect identified as material by Technip stakeholders but not reported by GRI G4 guidance.
(**) The statement of external assurance is located in Annexe F, Section 1 page 330.

Material Aspects	Indicators, Disclosure on Management Approach (DMA)	Coverage	Boundary Within Technip	Boundary Outside Technip	External Assurance (**)
Society					
Anti-corruption	G4-DMA: Annex E, Section 1.2.1 pages 262 and 263	Fully	Employees	Contracted workforce, Clients, Suppliers, Sub-contractors, Investors, Shareholders, Authorities	✓
	G4-SO4: Annex E, Section 1.2.1 pages 262 and 263	Partly			-
Local content (*)	DMA: Annex E, Section 5 pages 313 to 322	Fully		Local communities, Clients, NGOs	✓
	G4-EC6: Annex E, Section 5.1 pages 313 to 316	Fully			-
	G4-EC8: Annex E, Section 5 pages 313 to 322	Partly			✓
	G4-EC9: Annex E, Section 5.1 pages 313 to 316	Fully			-
Sustainability in the supply chain (*)	DMA: Annex E, Section 5.1 pages 313 to 316	Fully		Clients, Suppliers, Sub-contractors	✓
Risk & crisis management (*)	DMA: Section 4 pages 11 to 30 and Annex E, Sections 1.1.2 pages 253 and 254	Partly		Local communities, Clients, Investors, Shareholders	-
	G4-SO4: Annex E, Section 1.2.1 pages 262 and 263	Partly			-
Asset integrity and emergency preparedness (*)	DMA: Annex E, Section 2.3 page 266	Partly	Fleet, Industrial sites, Construction sites	Local communities, Clients, Sub-contractors	✓
Responsible marketing & sales (*)	DMA: Annex E, Section 1.2.3 page 263	Fully		Clients, Suppliers	-
Product responsibility					
Compliance with laws & regulations	G4-DMA: Annex E, Section 1.2 pages 261 to 263	Fully		Clients, Suppliers, Investors, Shareholders, Authorities	-
Security practices (*)	DMA: Annex E, Section 3.9 pages 289 to 291	Partly	Employees, Offices, Fleet, Industrial sites, Construction sites	Contracted workforce, Local communities, Clients, Suppliers, Sub-contractors	-
Product safety (*)	DMA: Annex E, Section 2.2 pages 264 to 266	Fully		Local communities, Clients, Suppliers	-
Innovative technology (*)	DMA: Annex E, Section 2.4 pages 266 to 269	Fully		Clients, Suppliers	-
CATEGORY: ECONOMIC					
Fair and long-term business relations (*)	DMA: Annex E, Section 1.2.2 page 263	Fully		Clients, Suppliers	-
Corporate governance and integrity (*)	DMA: Annex E, Section 1.1.2 pages 252 to 254	Fully		Clients, Investors, Shareholders, Authorities	-
	G4-38: Section 14 pages 84 to 91	Fully			-
Client satisfaction (*)	DMA: Annex E, Section 2 pages 263 to 269	Fully		Clients	✓
	G4-PR5: Annex E, Section 2.1 pages 263 to 264	Fully			✓

(*) Aspect identified as material by Technip stakeholders but not reported by GRI G4 guidance.
(**) The statement of external assurance is located in Annexe F, Section 1 page 330.

F

Annex: Report of the Independent Third Party on the Review of Consolidated Environmental, Labour and Social Information Published in the Management Report

This is a free translation into English of the original 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 standards applicable in France.

Ernst & Young et Associés

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

Report of the Independent Third Party on the Review of Consolidated Environmental, Labour and Social Information Published in the Management Report

YEAR ENDED DECEMBER 31, 2014

To the Shareholders,

In our capacity as independent third party, whose certification request has been approved by the French National Accreditation Body (COFRAC) under the number 3-1050, we hereby report to you on the consolidated environmental, labour and social information for the year ended December 31, 2014, presented in the management report Annex E (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 Board of Directors 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 GOPS procedures, reporting protocols and EKPI user guide used by the Company (hereinafter the "Guidelines"), summarized in the management report and available on request at 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 *(Code de commerce)*. 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 Independant Third Party

On the basis of our work, it is our responsibility to:

- attest 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 *(Code de commerce)* (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 four people between September 2014 and February 2015 and took around twelve weeks.

We performed our work in accordance with 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)] and in accordance with the international standard ISAE 3000 [(2)].

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 programs related thereto.

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 *(Code de commerce)*.

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 *(Code de commerce)*.

We ensured that the CSR Information covers the scope of consolidation, *i.e.,* the Company, its subsidiaries as defined by Article L. 233-1 of the French Commercial Code *(Code de commerce)* and the entities it controls as defined by Article L. 233-3 of the same 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.

Pursuant to your request, we verified that environmental, social and societal information identified by the sign ✓ in Annex E Section 7 of the management report is present in accordance with the GRI (Global Reporting Initiative) Sustainability Reporting Guidelines G4 version – Core option.

2. REASONED OPINION ON THE FAIRNESS OF THE CSR INFORMATION

Nature and Scope of our Work

We conducted about ten interviews with the people responsible for preparing the CSR Information in the departments charged with collecting the environment, human resources, health and safety and, sustainable development 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 CRS Information.

(1) Decree of May 13, 2013 determining the conditions in which the independent third party performs its engagement.

(2) ISAE 3000 – Assurance engagements other than audits or reviews of historical 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.

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 (organization, 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 38% of headcount and between 20% and 67% of quantitative environmental data (5).

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 5, 2015

The Independent Third Party

French original signed by

Ernst & Young et Associés

Christophe Schmeitzky *Partner Sustainable Development*	Bruno Perrin *Partner*

(3) **Quantitative environmental data:** Wastewater effluent; Air emissions (GHG scopes 1 & 2, NOx and SOx); Environmental incidents; Hazardous waste and non-hazardous waste; Water consumption; Energy consumption.

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; 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.

(4) **Construction yards:** Etileno XXI (Mexico), Halobutyl (Saudi Arabia).

Fabrication plants: Asiaflex (Malaysia); Mobile Spoolbase (USA); Orkanger Spoolbase (Norway).

Vessel: *Global 1201* (Singapore).

Offices: Kuala Lumpur (Malaysia); Abu Dhabi (United Arab Emirates); Houston (USA); Oslo (Norway); New Delhi (India); Mumbai (India); Chennai (India); Paris-La Défense (France).

(5) Average, 20% energy, 42% water; 47% effluent; 67% air emissions NOx-SOx; 33% hazardous waste and 36% non hazardous waste.

G

Annex: Combined Shareholders' Meeting of April 23, 2015 – Agenda, Presentation of Resolutions and draft Resolutions

1. Agenda

WITHIN THE AUTHORITY OF THE ORDINARY SHAREHOLDERS' MEETING

1. Approval of the statutory financial statements for the fiscal year ended December 31, 2014
2. Allocation of earnings for the fiscal year ended December 31, 2014 and setting of the dividend amount
3. Shareholder's option for the payment of the dividend in new common shares and setting of the dividend payment date
4. Approval of the consolidated financial statements for the fiscal year ended December 31, 2014
5. Special report of the Statutory Auditors on the regulated agreements
6. Non-binding opinion on the compensation components for the fiscal year 2014 falling due as well as other benefits granted to Thierry Pilenko, Chairman and Chief Executive Officer
7. Renewal of Thierry Pilenko's office as Director
8. Renewal of Olivier Appert's office as Director
9. Renewal of Pascal Colombani's office as Director
10. Renewal of Leticia Costa's office as Director
11. Renewal of C. Maury Devine's office as Director
12. Renewal of John O'Leary's office as Director
13. Authorization granted to the Board of Directors for the repurchase of Company shares

WITHIN THE AUTHORITY OF THE EXTRAORDINARY SHAREHOLDERS' MEETING

14. Authorization granted to the Board of Directors to reduce the share capital by canceling shares that have previously been repurchased

15. 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

16. Authorization granted to the Board of Directors to increase the share capital without the preferential subscription right of the shareholders, the issued securities being reserved for categories of beneficiaries as part of the implementation of an employee share program

WITHIN THE AUTHORITY OF THE COMBINED SHAREHOLDERS' MEETING

17. Powers for formalities

2. Presentation of Resolutions

PRESENTATION OF RESOLUTIONS WITHIN THE AUTHORITY OF THE ORDINARY SHAREHOLDERS' MEETING

First and second resolutions

Approval of the statutory financial statements and allocation of earnings and setting of the dividend amount

The purpose of the **first resolution** is to approve Technip SA's statutory financial statements for the 2014 fiscal year.

The purpose of the **second resolution** is to determine the allocation of Technip SA's earnings and set the dividend for the 2014 fiscal year at €2.00 per share.

Pursuant to Article 243 *bis* 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.

Third resolution

Shareholder's option for the payment of the dividend in new common shares and setting of the dividend payment date

The purpose of the **third resolution** is to offer each shareholder the option to choose for his/her 2014 dividend, relating to the second resolution, to be paid in new shares of the Company and to set the dividend payment date:

- The record date will be April 28, 2015.
- The ex-date will be April 29, 2015.

Shareholders may opt for the payment of the dividend in cash or in new shares from April 29, 2015 to May 15, 2015 inclusive. For shareholders who have not exercised their option by May 15, 2015, the dividend will only be paid in cash. For shareholders who have not opted for a payment in shares, the dividend will be paid in cash on May 28, 2015. For shareholders who have opted for a dividend payment in shares, the settlement and delivery of shares benefiting from a discount of 10% will take place on the same date, *i.e.* May 28, 2015.

Fourth resolution

Approval of the Technip Group's consolidated financial statements for the 2014 fiscal year

The purpose of the **fourth resolution** is to approve the Technip Group's consolidated financial statements for the 2014 fiscal year.

Fifth resolution

Special report of the Statutory Auditors

The **fifth resolution** approves the special report of the Statutory Auditors reporting the absence of any new regulated agreements entered into in 2014.

Sixth resolution

Non-binding opinion on the compensation for the fiscal year 2014 falling due as well as other benefits granted to Thierry Pilenko, Chairman and Chief Executive Officer

The purpose of the **sixth 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 2014 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 2014 financial year	Amounts or valuation	Remarks
Fixed compensation	€900,000 Amount paid	Unchanged fixed compensation since May 2011.
Variable compensation	€904,608 To be paid The rate of achievement of objectives for 2014 is given herebelow *(Table 1).*	Board of Directors February 17, 2015 The variable portion of compensation is based on the fixed compensation for the previous year. For 2014, 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 awarded in December 2014 representing 20% of the annual base salary *i.e.* €180,000	Performance conditions *(Table 2).*
Deferred variable compensation	Cash Plan €180,000	Payment in September 2014 of a Cash Plan awarded in 2011 and representing 20% of the 2011 annual base salary. Performance conditions 100% satisfied *(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 shares **Acquisitions:** Stock options Performance shares	 N/A N/A 109,000 20,000	Thierry Pilenko has not been awarded neither stock options nor performance shares in 2014 [(1)]. Performance conditions *Table 3.* Performance conditions *Table 4.*
Directors' fees	N/A	The Chairman and Chief Executive Officer does not receive any directors' fees.
Valuation of the advantages in kind	€4,211	Supplementary health insurance.

(1) There was no general award of LTI in 2014 for several reasons including cost savings and the context of an M&A project. In line with the policy of periodicity of awards, Technip intends to renew LTI allocations in June 2015.

Elements of compensation due or granted in respect of the 2014 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 during the last three years.	Non-compete compensation reviewed in 2011 for the renewal of Thierry Pilenko's term.
Supplementary pension scheme	Article 39 - €24,030 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 (2014) *i.e.* on compensation items of which most have been already paid.

In addition to the above information, it should be noted that subject to the renewal of his mandates of director (by the General Meeting) and then of Chairman of the Board and Chief Executive Officer (by the Board of Directors) the remuneration of Mr. Pilenko shall be as follows:

1. **Fixed and variable yearly compensation:**
   - base salary of €900,000 unchanged since 2011;
   - incentivised variable portion directly linked to the evolution of the Group financial performance up to 120% of the base salary when targets are obtained with a ceiling at 200% of said base salary.

   The underlying policy privileges an increase of 100 to 120% for the variable portion on target rather than a pay rise on the base salary.

2. **Deferred and multi-year compensation or special bonus:**
   - deferred compensation: N/A;
   - multi-year compensation: N/A;
   - special bonus: N/A.
3. **Directors' fees:** N/A.
4. **Advantages in kind:** supplementary health insurance.
5. **Undertakings in case of termination** (regulated agreements):
   - compensation for termination: N/A;
   - non-compete compensation:
     - two-year obligation whatever the date or cause for termination,
     - no geographical limits,
       indemnity: two years of gross annual compensation paid (gross fixed compensation + variable compensation). The basis of calculation is the average of such gross annual compensation of the last three years,
     - monthly instalments,
     - indemnity of 18 months of the last gross annual compensation, in case of violation of the obligations (deemed as a minimum);
   - Retirement: benefit of any current or future (in case of applicable new law) supplementary pension scheme benefiting to the Excom members.

Table 1

Based on the actual rate of achievement of objectives set for 2014 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% (1)	73.3%	€659,610
30%	**Individual objectives**	0 to 200%	90.7%	27.2%	€244,998
100%				100.5%	€904,608

(1) The acceleration triggered above 100% is equal to 4.7%.

Table 2

Performance conditions

Under the 2011 Plan, the definitive acquisition is governed by the arithmetical average of the two best of the three metrics (TRCF, OIFRA, Order intake) over the fiscal years 2011, 2012, 2013.

The rate of achievement for each of these criteria is given in the table hereafter. Therefore the definitive acquisition under the 2011 Cash Plan reaches 100%.

Cash Plan	Rate of achievement	Actual
Group Safety performance: TRCF (Total Recordable Case Frequency) (1)	85%	0.26
Group OIFRA	121%	€2.382 Bn
Order Intake	125%	€31.574 Bn

(1) The frequencies are calculated by 200,000 hours worked.

Table 3

Performance conditions

Stock options
The Board of Directors on June 23, 2010 awarded 109,000 options. The number of exercisable options is conditional upon the achievement by Technip of a satisfactory performance over the period 2010-2013. This performance is to be measured by the progression of the Group consolidated operating result compared to the achievement of a sample of competitors (Subsea 7/Acergy, Saipem, Fluor, Mc Dermott and JGC). These performance criteria were amended for the stock options and performance share plans from 2011 onwards. In accordance with the Plan Rules, the actual progression of the Group Operating Result being above the corresponding progression of the sample of competitors (278%), 100% of the options are exercisable.

Table 4

Achievement of performance metrics under the 2011 Performance Share Plan (as detailed above) for the definitive acquisition in 2014

Under the 2011 Plan, the definitive acquisition is governed by the arithmetical average of the two best of the three metrics (TRCF, OIFRA, Net Cash from operational activities) over the fiscal years 2011, 2012, 2013.

The rate of achievement for each of these criteria is given in the table hereafter. Therefore the definitive acquisition under the 2011 Performance Share Plan reaches 100%.

Metrics	Rate of achievement	Actual
TRCF (Total Recordable Case Frequency) (1)	85%	0.26
OIFRA	121%	€2.382 Bn
Net Cash From Operational Activities	122%	€2.427 Bn

(1) The frequencies are calculated by 200,000 hours worked.

Seventh to twelfth resolutions

Renewals of Directors

The purpose of the **seventh to twelfth resolutions** is to renew the terms of Thierry Pilenko, Olivier Appert, Pascal Colombani, Leticia Costa, C. Maury Devine and John O'Leary whose current mandates will elapse upon the present General Meeting. Taking into account the referred proposals the percentage of independent Directors would remain at 75% and the proportion of female Directors would remain above 40%.

In addition the biographies of Thierry Pilenko, Olivier Appert, Pascal Colombani, Leticia Costa, C. Maury Devine and John O'Leary follow hereafter:

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, Thierry 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).

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.

In 2014, the attendance rate to the Board of Directors and its Committees represented 82% for Olivier Appert. Due to the conflict of interests concerning Olivier Appert, director of both Technip and CGG, the latter decided not to attend to meetings of the Board of Directors for which the agenda was dedicated to the project of merger between Technip and CGG.

Pascal Colombani is a graduate of *École normale supérieure* (Saint-Cloud) and holds a doctorate in Nuclear Physics. His career has been balanced between research and industry: he started as a research associate at the French National Centre for Scientific Research (CNRS) then joined Schlumberger where he spent almost 20 years in various management positions in Europe, the USA, and Japan. In this last assignment, while President of Schlumberger KK in Tokyo, he also initiated the implantation of an R&D centre in China. Director of Technology at the French Ministry of Research from 1997 to 1999, he became Chairman and Chief Executive Officer of the French Atomic Energy Commission (CEA) in 2000 until December 2002. He initiated the restructuring of the CEA industrial holdings, resulting in the creation of Areva in 2000, the nuclear engineering conglomerate. He chaired the Supervisory Board of Areva until 2003. Pascal Colombani is chairman of the Advisory Board of A.T. Kearney in Paris and a member of the European Advisory Board of JPMorgan Chase. He is also non-executive chairman of the Board of Directors of Valeo, a member of the board of Technip, and chairman of the Board of Noordzee Helikopters Vlaanderen (NHV) in Belgium. He is a member of the French Academy of Technologies and of the French National Strategic Council for Research.

In 2014, the attendance rate to the Board of Directors and its Committees represented 100% for Pascal Colombani.

Leticia Costa is a partner in Prada Assessoria since 2010. In May 2011, she 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 and Votorantim Metais, both privately held companies 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.

In 2014, the attendance rate to the Board of Directors and its Committees represented 94% for Leticia Costa.

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).

In 2014, the attendance rate to the Board of Directors and its Committees represented 100% for C. Maury Devine.

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 President 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.*

In 2014, the attendance rate to the Board of Directors and its Committees represented 95% for John O'Leary.

Full information in relation to these Directors is included in the 2014 Reference Document (Sections 14.1, 14.4, 16.1.2, 16.5 and Annex A).

Remarks on the intent of the Board of Directors to maintain the positions of Chairman of the Board and CEO combined

The AFEP-MEDEF Code of Governance (<u>which does not favor one particular formula</u>) states that the Board of Directors has the authority to decide whether to separate or combine the positions of Chairman of the Board and Chief Executive Officer.

Technip's Board of Directors also does not, in principle, oppose the separation of the position of Chairman of the Board and Chief Executive Officer, which it does not exclude to implement if and when appropriate. Since 2011, this matter has been periodically reviewed by the Board, at the initiative of the Ethics & Governance Committee. In connection with the proposal to renew the mandate of Mr. Pilenko, the matter was again debated during the meeting held on February 17, 2015 and, based on the recommendation of the Ethics & Governance Committee, the members of the Board decided unanimously to maintain the combination of the positions of Chairman of the Board and Chief Executive Officer. Additionally, the Board contemplates periodically re-examining this matter in the future.

Taking full consideration of the preference expressed by certain shareholders, the decision was based upon an extensive evaluation by the Board and is fully consistent with the latest recommendations of AFEP-MEDEF regarding the choice of governance structures dated January 2015. These recommendations outline the context and obligations of the Boards of French companies and gives particular emphasis to the difference between French and English law and governance practices.

Therefore, the conclusion of AFEP-MEDEF mentioned above is perfectly clear in so far as "the systematic differentiation between the functions cannot be perceived as a "one-size-fits-all" form of governance, as it could lead to a disregard of the actual way the companies work as well as their specific needs." Thus, Technip's Board of Directors undertook a pragmatic analysis of the circumstances specific to the Group and drew its own conclusions by considering: (1) the efficient operation of the governance bodies due to robust and appropriate checks and balance mechanisms, (2) the positive appraisal of the achievements of the last four years under Mr. Pilenko's management, strategic vision and well known managerial capabilities and (3) the comparison with current market practices in France and internationally.

I. THE EFFICIENT OPERATION OF GOVERNANCE BODIES AND ACTIVE OVERSIGHT PROVIDED BY THE BOARD AND BOARD COMMITTEES

An important factor underlying the decision of the Board is the existence and quality of the control mechanisms in place as well as the active and efficient oversight that the Board and its committees have provided during Mr. Pilenko's tenure. As a matter of fact, a majority of board members are independent directors (75%), so are the members of the Committees (Audit 80%, Strategic 83%, Ethics & Governance 75% and Nominations and Remunerations 100%). The roles of each of the bodies are clearly established and the limits of authority are fixed for both the Chairman of the Board and Chief Executive Officer.

This organizational structure is reinforced by the particular attention given by the Board of Directors, upon the recommendations of the Nominations and Remunerations Committee, to select, propose and subsequently introduce the most qualified candidates, whose expertise are deemed relevant and complementary. The Board maintains an active and constructive dialogue with open and frank discussions, based on the most complete information of its members.

The governance practices of the Group are well appreciated by the members of the Board, as proven by the assessments of the functioning of the Board in 2008, 2011 and 2014. Board members are especially satisfied with the quality of the information provided, the open and challenging debates at the Board, the successful functioning of the Senior Independent Director who assists the Chairman with his duties and ensures the correct functioning of the corporate bodies and the efficiency of the procedures included in the Internal Rules of the Board.

The combination of both positions allows the governance structure to be efficient in terms of decision making, subject to the active oversight of the Board.

The appointment of a Senior Independent Director in 2010, whose mission and attributions described in the Internal Rules of the Board have just been reassessed and functions extended by the Board of Directors on February 17, 2015, ensures that the governance structure complies with best market practices. Henceforth the Senior Independent Director may himself convene a meeting of the Board of Directors, follow up decisions of the Board through discussions with the management and assist the Chairman in communications with shareholders.

In accordance with AFG and IFA recommendations for companies using the combined management structure, the introduction of the Senior Independent Director provides the Board with a proactive and challenging dimension within the corporate governance structure. The scope of involvement of the Senior Independent Director covers, in particular, intervention in the event of potential conflicts of interest and the management of the relationship of the Board with the Chairman & CEO (individual objectives, yearly evaluation, and compensation package through executive sessions). The Senior Independent Director also follows up on decisions of the Board through regular contact with management. It is also intended that the Senior Independent Director will report on his activities to the General Meeting.

On February 17, 2015, the Board of Directors, upon the recommendation of the Ethics & Governance Committee, entrusted C. Maury Devine with this function, as replacement of Gérard Hauser whose mandate is due to end at the present General Meeting. The Board's decision in this respect relied upon the independence of C. Maury Devine as well as her recognized expertise and thorough knowledge of Technip's operations.

II. EXPERTISE AND ACHIEVEMENTS

Technip's performance during the last mandate of Thierry Pilenko as Chairman & CEO of Technip produced more than satisfactory returns to shareholders in terms of profit with a regular dividend payment increase up to 8% despite an uncertain economic environment. Thierry Pilenko has pursued the transformation of the Group since 2007, allowing Technip to achieve a leading position in the market thanks to both the internal development of the organization and acquisitions over his last two mandates.

During the last four years, the operational results went from €620.3 million in 2010 to €800.2 million in 2014. During the same period, the net results progressed from €415.2 million up to €442.4.

The Board is convinced that, under the current conditions, the combination of both positions allows the governance structure to be efficient, allows for clear and timely decision making consistent with active and effective oversight by the Board. It is also evident that this decision prevails in the current conditions and does not prejudge in any way the orientation that the Board may adopt in the future, in relation to the same topic, in circumstances that would be different.

III. CURRENT MARKET PRACTICES IN FRANCE AND AMONG PEERS

1. French context

A survey of the companies included in the CAC 40 shows that out of the 36 comparable *sociétés anonymes* (excluding non-French companies) 23 operate with a combined management structure and 13 operate under separated management (including Michelin which is a limited share partnership or *société en commandite par actions*, and Publicis, Unibail and Vivendi that operate under two-tier board structure).

Additionally, it should be considered that there is a current ongoing trend where separated management has been used for a determined period of time after which the combined Chairman & CEO roles were re-established, especially in the case of succession planning after the departure of a top executive position (Pernod Ricard has indeed reverted back to combined Chairman & CEO roles after two years under separate management, same goes for Total who has publicly announced their intentions to revert back to a combined management structure in the near future).

Technip's governance structure is compliant with the most common French market practices.

2. International context

As a Group listed in France with a widely predominant international exposure, Technip takes into consideration both French and international practices, and in particular the practices of American companies.

The prevailing situation among the companies listed in the S&P 500 index is the combination of the functions. However, it is true that the separation option could be a good choice in the context of a transition in management.

The Board considers the practice among UK Companies to be less relevant. As clearly emphasized in the AFEP-MEDEF document, the typical governance structure of UK listed companies is not the usual structure of French companies (including Technip) where none of the members of the executive committee (except the CEO) are directors and a large proportion of the non-executive directors (75% at Technip) are independent, with one of them appointed as the Senior Independent Director.

To decide that only the "separatist" view should be considered regardless of the context would be applying a solution to a problem which does not exist.

Consequently the Board of Directors of Technip, in full compliance with the letter and spirit of the AFEP-MEDEF Code of Governance has elected to combine the positions of Chairman of the Board and Chief Executive Officer based on a pragmatic review of the options and in continuation of the two previously successful mandates of Mr. Pilenko under the same structure.

Thirteenth resolution

Repurchase of Company Shares

The **thirteenth 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 24, 2014, which is due to expire on October 24, 2015.

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 €85 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, 2014, the Company's share capital was divided into 113,945,317 shares. On this basis, the maximum number of shares that in theory the Company could repurchase amounts to 7,751,630 shares (taking into account 1,363,995 treasury shares which are to be charged to the 8% referred limit).

PRESENTATION OF RESOLUTIONS WITHIN THE AUTHORITY OF THE EXTRAORDINARY SHAREHOLDERS' MEETING

Fourteenth resolution

Authorization granted to the Board of Directors to reduce the share capital by canceling shares that have previously been repurchased

The purpose of the **fourteenth resolution** is the renewal of the authorization to the Board of Directors to cancel all or part of the treasury shares. Such authorization granted by the Shareholders' Meeting of April 29, 2010 expires on April 29, 2015.

In order to keep the availability of this relutive potential, it is proposed to renew the possibility to cancel shares up to a limit of 10% of the share capital over a period of 24 months. Moreover the cancelation of shares is one of the optional use – and in certain circumstances, compulsory – of the shares purchased by the Company further to the thirteenth resolution. This thus implies the adoption of the fourteenth resolution.

Fifteenth and sixteenth resolutions

Share capital increase reserved for employees

The purpose of the fifteenth and sixteenth 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 **fifteenth resolution** describes the main characteristics of the proposed increase of capital:

1. the maximum amount of the capital increase is 1.25% of the share capital as of the date this authorization is used;
2. the subscription price for the shares is equal to 80% of the average share price of the last 20 trading days;
3. 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;
4. 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 seventh resolution of the General Meeting held on April 24, 2014.

The purpose of the **sixteenth 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 seventh resolution of the General Meeting held on April 24, 2014.

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, 2014

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 2014 fiscal year and the report of the Statutory Auditors on the performance of their mission over the course of the 2014 fiscal year hereby approves the statutory financial statements for the fiscal year ended December 31, 2014, as presented, showing profits of €106,976,335.04. 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, 2014 and setting of the dividend amount

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, 2014, amount to €106,976,335.04 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 €2,879,164,794.01, taking into account the available retained earnings of €611,142,432.01.

The Shareholders' Meeting therefore decides to allocate as a dividend an amount of €2.00 per share, representing a total amount of €227,890,634, 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 113,945,317 shares comprising the share capital as of December 31, 2014, 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 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
2011	€1.58	€1.58
2012	€1.68	€1.68
2013	€1.85	€1.85

Third resolution

Shareholder's option for the payment of the dividend in new common shares and setting of the dividend payment date

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, noting that share capital has been paid up in full, decides to offer each shareholder the option to choose for his/her dividend, relating to the second resolution, to be paid in new shares of the Company. Each shareholder will have the choice, according to this resolution, between payment in cash or in new shares, but the option will be applicable on the wholly amount of his/her dividend.

The new shares, if the option is exercised, will be issued at a discount of 10% on the price equal to the average opening prices listed during the 20 stock market trading sessions on Euronext Paris prior to the date of this Shareholders' General Meeting, less the amount of the dividend which is subject of the second resolution and rounded up to the nearest euro cent. Such issued shares will immediately be entitled to dividends as of January 1, 2015. Shareholders may opt for the payment of the dividend in cash or in new shares from April 29, 2015 to May 15, 2015 inclusive, by sending their request to the financial intermediaries authorized to pay the dividend or, for registered shareholders listed in the issuer-registered accounts held by the Company, to its authorized agent (Société Générale, Département des titres et bourse, 32, rue du Champ de Tir, BP 81236 Nantes Cedex 3).

For shareholders who have not exercised their option by May 15, 2015, the dividend will only be paid in cash.

For shareholders who have not opted for a payment in shares, the dividend will be paid in cash on May 28, 2015. For shareholders who have opted for a dividend payment in shares, the settlement and delivery of shares will take place on the same date.

If the amount of the dividend for which the option is exercised does not correspond to a whole number of shares, shareholders may obtain the immediately higher number of shares by paying the difference in cash on the date they exercise the option, or receive the immediately lower number of shares, with the balance in cash.

The Shareholders' General Meeting gives full powers to the Board of Directors, with the option to sub-delegate to the Chairman of the Board, in accordance with the conditions provided by law, in order to make the payment of the dividend in new shares, to specify the terms and conditions of application and implementation thereof, to record the number of shares issued pursuant to this resolution and to make all requisite amendments to the articles of association concerning the share capital and the number of shares that make up the share capital and, in general, to take all requisite actions.

Fourth resolution

Approval of the consolidated financial statements for the fiscal year ended December 31, 2014

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 2014 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, 2014, as presented, as well as the transactions evidenced in these statements or summarized in these reports.

Fifth 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 acknowledges this report stating that no new agreement and commitments were entered into in 2014.

Sixth resolution

Non-binding opinion on the compensation components for the fiscal year 2014 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 2014 AFEP-MEDEF Governance Code which constitutes the Company's reference code pursuant to the provisions of Article L. 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 2014, chapter 15, paragraph 15.1.1 "Tables regarding compensation of Executive Directors".

Seventh resolution

Renewal of Thierry Pilenko's office as Director

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, decides to renew Thierry Pilenko's office as Director for a period of four years, to expire at the end of the shareholders' meeting convened to approve the statutory financial statements for the fiscal year ending December 31, 2018.

Eighth resolution

Renewal of Olivier Appert's office as Director

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, decides to renew Olivier Appert's office as Director for a period of four years, to expire at the end of the shareholders' meeting convened to approve the statutory financial statements for the fiscal year ending December 31, 2018.

Ninth resolution

Renewal of Pascal Colombani's office as Director

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, decides to renew Pascal Colombani's office as Director for a period of four years, to expire at the end of the shareholders' meeting convened to approve the statutory financial statements for the fiscal year ending December 31, 2018.

Tenth resolution

Renewal of Leticia Costa's office as Director

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, decides to renew Leticia Costa's office as Director for a period of four years, to expire at the end of the shareholders' meeting convened to approve the statutory financial statements for the fiscal year ending December 31, 2018.

Eleventh resolution

Renewal of C. Maury Devine's office as Director

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, decides to renew C. Maury Devine's office as Director for a period of four years, to expire at the end of the shareholders' meeting convened to approve the statutory financial statements for the fiscal year ending December 31, 2018.

Twelfth resolution

Renewal of John O'Leary's office as Director

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, decides to renew John O'Leary's office as Director for a period of four years, to expire at the end of the shareholders' meeting convened to approve the statutory financial statements for the fiscal year ending December 31, 2018.

Thirteenth 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 €85 (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 sixth resolution of the Ordinary Shareholders' Meeting of April 24, 2014. 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

Fourteenth resolution

Authorization granted to the Board of Directors to reduce the share capital by canceling shares that have previously been repurchased

The Shareholders' Meeting, acting under the conditions of quorum and majority required for extraordinary shareholders' meetings, having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, and pursuant to Article L. 225-209 of the French Commercial Code:

1. Authorizes the Board of Directors to reduce the share capital by canceling all or some of the shares acquired under share repurchase programs authorized by the Shareholders' Meeting, on one or more occasions, up to a limit of 10% of the share capital by periods of 24 months and to charge the difference between the repurchase value of the canceled shares and their par value to the available reserves and premiums.
2. The Board of Directors shall have the necessary powers to set the terms and conditions of this or these cancelations and to make the corresponding amendment to the bylaws and accomplish any necessary formalities.

This authorization is given for a period of five years. It invalidates any previous authorization for the same purpose.

Fifteenth resolution

Authorization granted to the Board of Directors to increase the share capital in favor of employees adhering to company savings plans, 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-I 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 1.25% 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 company savings plans 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. This maximum nominal amount of 1.25% does not take into account potential adjustments which could be made pursuant to applicable laws and regulations and, if needed, pursuant to contractual provisions allowing for other adjustments, in order to protect the rights of the owners of shares or other securities giving access to the share capital.
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 company savings plans.
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 the Shareholders' Meeting of April 24, 2014.

As from its entry into force, this delegation supersedes the delegation provided by the General Meeting of April 24, 2014, in its fourteenth 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.

Sixteenth 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 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 any financial institution or entities controlled by the financial institution or to any 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 the Shareholders' Meeting of April 24, 2014 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 fifteenth 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, 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 decided pursuant to the fifteenth 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 and in particular in order to identify the beneficiary of the cancelation of preferential subscription rights among the categories of beneficiaries cited in paragraph 2 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.

As from its entry into force, this delegation supersedes the delegation provided by the General Meeting of April 24, 2014, in its fifteenth resolution.

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

Seventeenth 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.

H

Annex: Reconciliation Tables (Annual Financial Report – Management Report – Society and Environmental Report)

1. 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 20.1.2.6 Note 33 and Section 20.2.2.6 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

2. 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 9.3 and 11
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 20.1.2.6 Note 34 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 4.8.17
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 20.1.2.6 Note 32
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 or controlling interests by such companies	None
16.	Purchase of significant or controlling interests of companies based in France	Section 7.2 Sections 20.2.2.7 Note 7 and 20.1.2 Note 2
17.	Information relating to the breakdown of the share capital	Section 18.1.1 and Section 20.1.2.6 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: ■ 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 20.1.2.6 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: ■ 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 20.1.2.6 Note 20
22.	Changes made to the format of the financial statements or to the valuation methods used	Section 20.1.2.6 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 20.1.2.6 Note 32
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 2014	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 20.1.2.6 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 20.1.2.6 Notes 16 and 24 Section 20.2.2.6 Note 6.8

3. 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	
1.1	Total headcount of workforce and breakdown by gender, age and geographic area	Sections 3.2.1 b and 3.2.1 c
1.2	Hiring and redundancies	Section 3.2.2
1.3	Remuneration and its changes	Section 3.5.2 a
2	Work organization	
2.1	Working hours management	Section 3.2.1 d
2.2	Absenteeism	Section 3.7
3	Labor relations	
3.1	Management of the Company's social dialogue, in particular the provision of information to employees, their consultation and negotiation procedures	Section 3.6
3.2	Collective agreements	Section 3.6
4	Health and safety	
4.1	Health and safety conditions at work	Sections 3.7 and 3.8
4.2	Health and security agreements entered into with trade unions or staff representatives	Section 3.6
4.3	Workplace accidents, in particular their frequency, severity, and occupational illnesses	Section 3.7
5	Training	
5.1	Policies implemented with respect to training	Section 3.3.1 c
5.2	Total training hours	Section 3.3.1 c
6	Equal treatment	
6.1	Measures taken to promote the equal treatment of women and men	Section 3.4.1
6.2	Measures taken to promote the employment and inclusion of disabled employees	Section 3.4.3 a
6.3	Anti-discrimination policies	Section 3.6
7	Promotion of and compliance with the fundamental conventions of the International Labor Organization	
7.1	Upholding the rights of freedom of association and of collective bargaining	Section 5.2.3 b
7.2	The elimination of employment discrimination	Section 5.2
7.3	The elimination of forced Labor	Section 5.2
7.4	The effective abolition of child Labor	Sections 1.2 and 5.2

Environmental information		Annex E
1	General policy in relation to the environment	
1.1	Management of the Company to take into consideration environmental issues, and if applicable, the assessment or certification procedures in relation to the environment	Sections 2.2, 2.4 and 4.1
1.2	Information and training programs for employees in relation to the protection of the environment	Sections 2.4.1 and 4.3.2
1.3	Resources devoted to the prevention of environmental risks and pollution	Sections 4.2.7 and 4.2.4
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 4.1.6.c
2	Pollution and waste management	
2.1	Measures taken to prevent, reduce or repair the effects of discharges into the air, water or soil that would seriously impact the environment	Sections 4.2.2 b, 4.2.2 c, 4.2.3 b, 4.2.6 d and 4.2.4
2.2	Measures taken to prevent, recycle or eliminate waste	Section 4.2.3 c
2.3	Taking into account noise pollution and any other form of pollution specific to an activity	Section 4.2.6 b
3	Sustainable use of resources	
3.1	Water consumption and water supply, taking into consideration any local constraints	Section 4.2.3 a
3.2	Raw material consumption and measures taken to improve the efficiency of raw material use	Section 4.2.6 a
3.3	Energy consumption, measures taken to improve energy efficiency and the use of renewable energies	Sections 2.4, 4.2.2 a and 4.3.2 b
3.4	Land use	Section 4.2.6 d
4	Climate change	
4.1	Greenhouse gas emissions	Section 4.2.2 b
4.2	Adaptation to the consequences of climate change	Sections 2.4, 4.2.2 b and 4.3.1
5	Protection of biodiversity	
5.1	Measures taken to protect or develop biodiversity	Section 4.2.5

Societal information		Annex E
1	Territorial, economical and social impact of the Company's activities	
1.1	Employment and regional development	Section 5
1.2	Local communities	Section 6
2	The relations between the Company and career guidance associations, academic institutions, environmental preservation agencies, consumer advocacy group and local communities	
2.1	Dialogue with career guidance associations, academic institutions, environmental preservation agencies, consumer advocacy group and local communities	Section 5.3.4
2.2	Partnerships and corporate sponsorships	Section 6.2
3	Subcontractors and suppliers	
3.1	Measures taken to account for social and environmental issues in the Company's purchasing policy	Section 5.1
3.2	The extent of subcontracting and measures taken to account for social and environmental issues in the Company's subcontracting policy	Section 5.1.4
4	Fair business practices	
4.1	Measures taken to prevent corruption	Section 1.2.1
4.2	Measures taken to ensure the health and safety of consumers	Section 2.2
5	Other measures implemented to protect human rights	Section 5.2

I

Annex: Glossary

Bi-metallic	Pipe construction with a corrosion resistant alloy (CRA) layer on the inner surface of the carbon steel pipe. This is obtained either through a CRA liner mechanically bonded to the carbon steel pipe (*i.e.* Mechanically Lined Pipe – MLP) or through the deposit of CRA metallurgically bonded to the carbon steel pipe inner surface by welding overlay (*i.e.* Cladded pipe).
Anti H_2S	The anti H_2S layer is a leak-proof sheath made of a composite material which is placed between the pressure sheath and the pressure vault. The metallic oxide additives within the layer will chemically react with the H_2S entering the "Anti H_2S" sheath after permeation through the pressure sheath. This reaction will act as a barrier to H_2S during all the service life of the flexible pipe.
Biomass-based fuel	These include, but are not limited to wood, sawdust, grass cuttings, biodegradable domestic refuse, charcoal, agricultural waste, crops and dried manure.
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	Reelable 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.
Furnace	Furnace is an enclosed structure in which material is heated to high temperatures to produce ethylene and other products. This occurs in two sections. In the radiant section, the tubes receive heat through thermal radiation and the pyrolysis reaction (cracking) takes place. In the convection section, the flue gas is cooled to deliver high thermal efficiency by recovering the remaining heat.
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).
HDPE	High-density polyethylene.
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 it 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.
MEG	Mono-ethylene glycol, used to control hydrate formation in production fluids.
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.
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.
SMK™	Technip's proprietary coil technology used in a furnace. Enabling selectivity optimization to obtain very large capacity furnaces. The largest capacity furnace in the world uses SMK™ technology and has a capacity of 210,000 tons per year of ethylene per furnace cell.
Sour water stripper	Removal of H_2S 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.
SSIV	Subsea Isolation Valve.
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.
Template	A steel protection structure with integrated manifolds and wellheads.
Teta wire	Wire with a specific, patented, T-shape used in flexible pipe to resist the radial effect of the internal pressure. Used for high pressure and harsh environments.
Wye piece	A connection between two pipelines which allows pigging to be performed from either of the pipelines.

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Société anonyme with a share capital of 86,885,591.71 euros
89, avenue de la Grande Armée • 75116 Paris – France • Tel.: +33 (0)1 47 78 24 00
589 803 261 RCS Paris • SIRET 589 803 261 00223

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