



Registration
DOCUMENT
Annual Financial Report
2013



ALBIOMA
OUR NATURE IS FULL OF ENERGY

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For more than 20 years, Albioma has made available to the sugar industry its unique expertise in highly efficient energy production from bagasse.

Sugar cane field, Mauritius



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1.1. History

1982-1989 : THE COAL PERIOD

In the economic aftermath of the oil shocks, the Charbonnages de France coal group founded SIDEDEC (Société Industrielle pour le Développement de l'Énergie Charbon), at the initiative of the public authorities, to help industrial firms reduce the weight of hydrocarbons in their energy mix by using alternative fuels, so enabling them to focus their investment efforts on their core businesses. Sidec agreed to invest directly in facilities to produce steam, which it sold to its industrial partners, pioneering a business model in which industrials outsource the "energy" function. As a result of this model, industrial companies receive the benefits of facilities that deliver optimised energy efficiency and environmental performance with no need to tie up precious capital.

The company built its first cogeneration plants (producing both electricity and steam) at approximately 30 industrial sites in a variety of sectors (including agri-business, chemicals, car manufacturing, tire manufacturing and paper-making).

1989-2003 : FIRST BAGASSE/COAL COGENERATION PROJECTS

In 1992, the Group commissioned the world's first hybrid bagasse/coal cogeneration plant at the Bois-Rouge site on Reunion Island. This 60 MW power plant provided the sugar refinery operating at the site with a solution to improve its energy procurement by recovering its main operating by-product, bagasse, so reducing the cost price of electricity consumed on Reunion Island.

This success prompted Séchilienne, an Air Liquide subsidiary, to acquire a participating interest in Sidec in 1994; Séchilienne then gradually increased its holding until it owned a majority interest, culminating in the 2001 merger that gave birth to Séchilienne-Sidec.

Similar cogeneration plants were built in Le Gol (64 MW) on Reunion Island in 1995, at the Le Moule facility (64 MW) on Guadeloupe in 1998, and in Belle Vue (70 MW) on Mauritius in 2000.

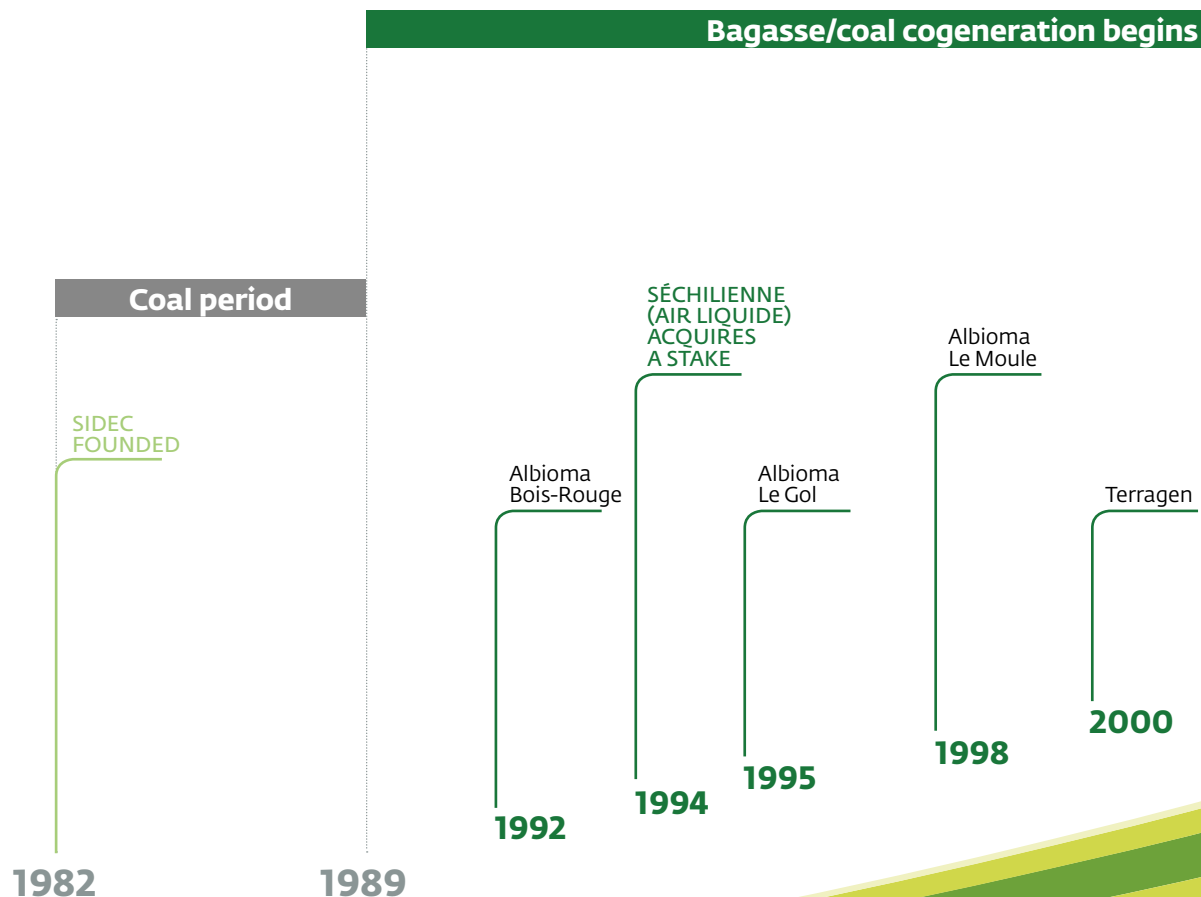
2004-2011 : THE GROUP EXPANDS ITS THERMAL BIOMASS BUSINESS AND ENTERS THE WIND AND SOLAR POWER MARKETS

In 2004, the Group moved into the Wind Power market in mainland France, building its first 37.5 MW wind farm in Haute-Lys in the Nord-Pas-de-Calais department; this facility was sold in 2007.

In 2005, Air Liquide disposed of its participating interest to our current principal shareholder, Financière Hélios, which is controlled by Apax Partners and Altamir Amboise.

The Group continued to develop its Thermal Biomass business, successively commissioning:

- a second plant unit (48 MW) at the Bois-Rouge site on Reunion Island in 2004;
- a new installation (30 MW) in Saint-Aubin on Mauritius in 2005;
- a second unit (58 MW) at the Le Gol site on Reunion Island in 2006;
- two 45 MW plant units in Savannah on Mauritius in 2007.



In 2007, the Group also began operating a domestic heating oil-fired combustion turbine facility at the Le Galion facility in Martinique (40 MW), to cover peaking demand and emergency grid requirements.

Growth in the Group's photovoltaic power fleet in the Indian Ocean, the Antilles, French Guyana, mainland France and Southern Europe (Spain and Italy), as well as its wind farms in mainland France, increased the total installed capacities to approximately 70 MW (solar) and 56 MW (wind).

In 2011, the Group's Caraïbes Énergie (later renamed Albioma Caraïbes) coal-fired thermal power plant (38 MW) began operating at the Le Moule site in Guadeloupe.

2012: PRIORITY TO THERMAL BIOMASS AND SOLAR POWER

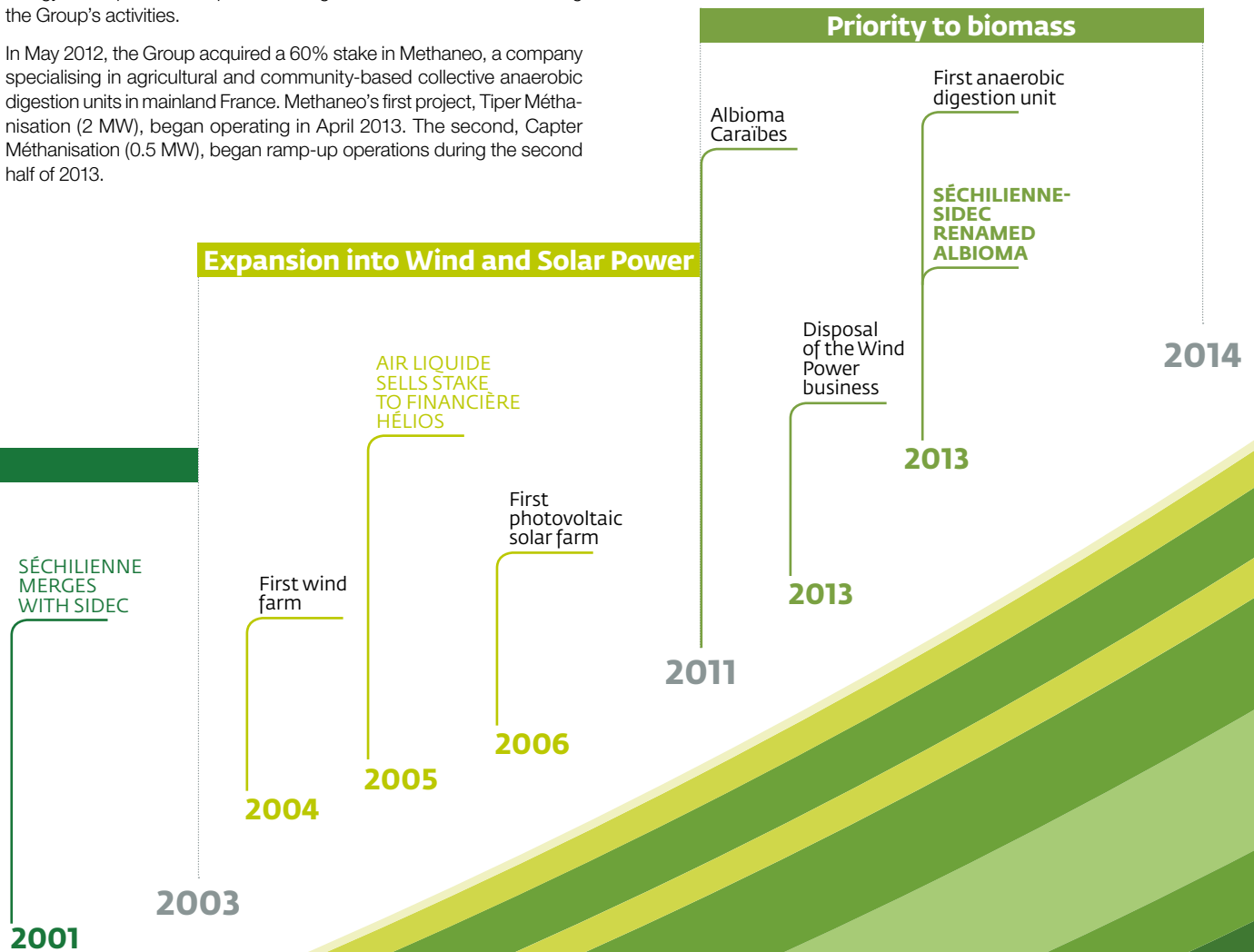
In March 2012, shareholders attending the General Meeting approved the new strategy centred on recovering various forms of biomass for energy, with a parallel solar power offering and a focus on internationalising the Group's activities.

In May 2012, the Group acquired a 60% stake in Methaneo, a company specialising in agricultural and community-based collective anaerobic digestion units in mainland France. Methaneo's first project, Tiper Méthanisation (2 MW), began operating in April 2013. The second, Capter Méthanisation (0.5 MW), began ramp-up operations during the second half of 2013.

Refocusing on its core business, the Group sold its Wind Power business to EDF Énergies Nouvelles on satisfactory terms in early 2013.

On 30 May 2013, Séchilienne-Sidec's shareholders approved a project to change the Group's name to Albioma; the new identity reflects our growth strategy focused on highly energy-efficient recovery of biomass, particularly bagasse, and our international ambitions.

Most recently, in July 2013, the Group created its first Brazilian subsidiary, Albioma Participações do Brasil.

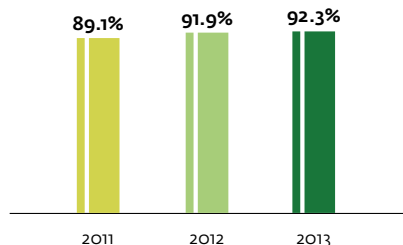


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1.2. Key figures

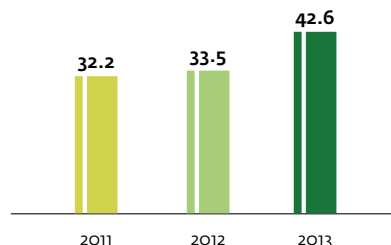
1.2. Key figures

AVAILABILITY OF THERMAL BIOMASS PLANTS¹

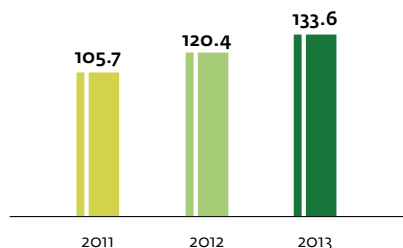


1. Availability: average availability rates of thermal power plants weighted to factor in net power output. A plant's availability rate is the ratio between the maximum energy produced by the plant and the maximum demand for energy by the client.

NET INCOME, GROUP SHARE (in millions of euros)

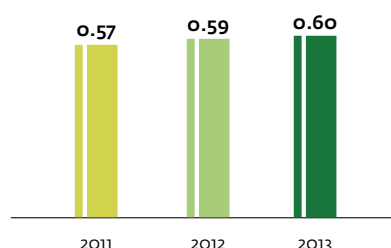


EBITDA (in millions of euros)¹



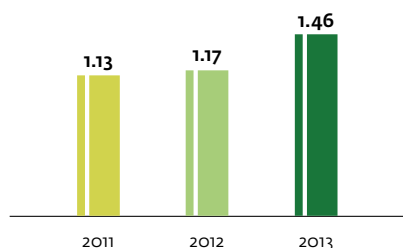
1. Excluding overseas taxation and adjusted to factor in the Wind Power business, sold early in 2013. EBITDA: operating income before depreciation and amortisation charges and net of charges to provisions.

DIVIDEND PER SHARE (in euros)¹

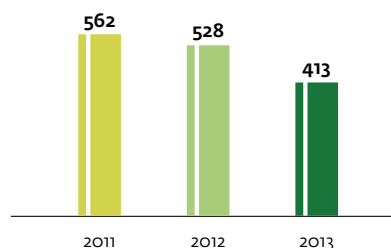


1. The 2013 dividend of €0.60 will be submitted for approval by the shareholders at the Ordinary and Extraordinary General Meeting to be held on 27 May 2014.

CONSOLIDATED BASIC EARNINGS PER SHARE AND DILUTED EARNINGS PER SHARE (in euros)



CONSOLIDATED NET DEBT¹ (in millions of euros)



1. Not adjusted to factor in the Wind Power business, sold early in 2013. See further information in Note 23.3 to the consolidated financial statements for the 2013 financial year in chapter 4, page 123 of this Registration Document

1.3. Main activities and markets

1.3.1. ACTIVITIES

Albioma is an independent energy producer that develops projects in the Thermal Biomass, Solar Power, Anaerobic Digestion sectors.

This unconventional positioning was consolidated when the Group began to recover bagasse in the French overseas departments. Albioma is now exporting its unique know-how to Brazil, where the Group is partnering with the sugar industry.

Already the leader in bagasse-fired cogeneration in its traditional markets, Albioma seized the opportunity to extend its expertise and strengthen its market positions by generating solar electricity. The Group is now a major producer of photovoltaic solar power in Overseas France, with the necessary critical mass and high-quality, profitable production facilities.

The Group is positioned as a partner for the grid operator for all means of energy production. Our bagasse/coal power plants generate base load power 24 hours a day, all year round. Albioma has also developed two additional offerings: production of solar electricity – an intermittent renewable energy – and peaking power generation, using combustion turbines to respond to power consumption surges.

In keeping with its strategy focused on highly energy-efficient recovery of all forms of biomass, in 2012 Albioma began producing energy from anaerobic digestion of agricultural and agri-business by-products, with the goal of becoming the market leader in mainland France.

Thermal Biomass

Albioma provides its industrial partners with unmatched expertise in energy production via hybrid combustion of biomass. Traditionally, this activity has revolved around the recovery of bagasse.

Our thermal power plants, built near sugar refineries, are designed to recover all bagasse produced by the sugar-making process. Through these facilities, the Group has demonstrated its expertise in harnessing dual-fuel combustion technology to produce electricity and heat from bagasse and coal. During the sugar harvest, which in Overseas France lasts between five and seven months, depending on location, the plants operate as cogeneration units, with bagasse as the main fuel. The rest of the time, they operate using a condensing process in the same way as conventional power plants.

The choice of coal as the auxiliary fuel is justified by its commercial availability at attractive prices, and the ease with which it can be shipped to island locations. It can be used in a hybrid-combustion configuration to supply energy all year round at a competitive cost while complying with European atmospheric emissions standards.

Albioma aims to reduce the share of coal used by its existing thermal power plants by recovering new types of biomass in addition to bagasse, and is currently developing projects for new all-biomass power plants designed for coal-free operation.

Crowning a year of intensive efforts in Brazil, in March 2014 Albioma announced the acquisition of Rio Pardo Termoelétrica, a 60 MW cogeneration plant located in the State of São Paulo (see § 3.5.1.1, page 90 of this Registration Document). This plant, located in an excellent area for sugar-cane growing, operates all year round using the bagasse resulting from the nine-month sugar harvest.

Anaerobic Digestion

The anaerobic digestion process can be used to recover organic waste, particularly farm waste, in order to produce biogas (by biological decomposition of organic matter in a confined oxygen-free medium), which can either be converted into electricity and heat or purified and then injected into the gas transmission network. The process also produces "digestate", which can be used, either directly or after additional processing, as fertilizer. Agricultural anaerobic digestion recovers by-products from farming and agri-business: manure, slurry, plant co-products and waste from agri-business industries. This sector accounts for 52% of European biogas production sources and is driving growth in the biogas market in France.

The Group operates in this market in mainland France via its Methaneo subsidiary, which in 2013 began production ramp-up at its first two anaerobic digestion units.

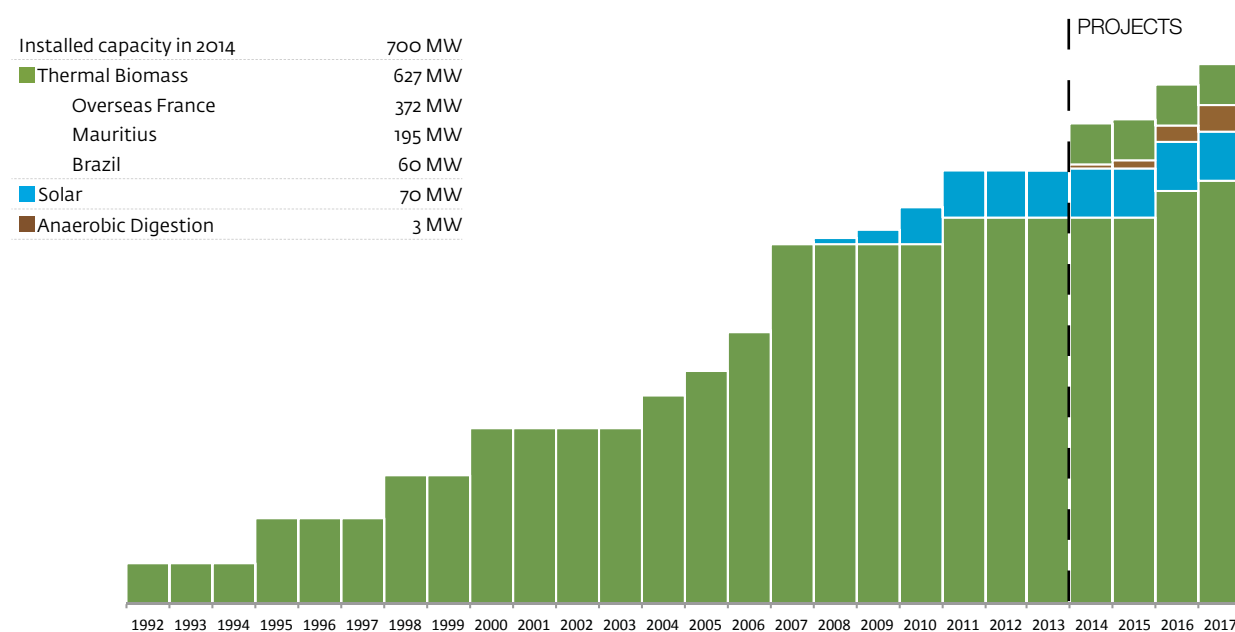
Solar Power

The Group has been producing photovoltaic solar energy since 2006, and currently operates facilities on Reunion Island, Mayotte, Guadeloupe, Martinique and French Guyana, as well as in mainland France and southern Europe. Some 80% of the Group's solar farms are located overseas, where they benefit from advantageous pricing and exceptional sunshine conditions, with exposure exceeding the average for French farms by more than 20%.

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1.3. Main activities and markets

Installed capacity (in MW) of the Group, showing changes and distribution by business sector (as at the filing date of this Registration Document)



Group income from ordinary activities, EBITDA and operating income in 2013, by business sector¹ (as at the filing date of this Registration Document)

<i>In millions of euros</i>	Income from ordinary activities	EBITDA	Operating income
Thermal Biomass	321.0	108.8	79.9
Solar	41.0	31.4	14.7
Anaerobic Digestion	–	–	–
Holding and others	2.2	(6.6)	(8.3)

1. Excluding the Wind Power business, which was disposed of at the start of 2013.

1.3.2. REGULATORY AND CONTRACTUAL FRAMEWORK

1.3.2.1. Regulatory framework of French electricity market

Legal framework of French energy market

The Group operates its electricity production units in a regulated market environment. In France, the legal framework consists of:

- European Directives and Regulations which, in particular, lay down the principles governing the opening of the electricity market to competition and the organisation of this, and define the responsibilities of the various parties involved in the production, transport and distribution of electricity, and the role of national regulators; they also govern the terms and conditions of access to networks for cross-border electricity exchanges;
- the French laws and regulations codified in the Energy Code (*Code de l'énergie*) (Order 2011-504 of 9 May 2011 codifying the legislative part of the Energy Code).

Accordingly, the installation and operation of the Group's production units, including in particular its thermal power plants, must comply with a very complex set of laws and regulations, relating in particular to town planning and the environment.

Operation of classified installations for environmental protection (*ICPE - Installation Classée pour la Protection de l'Environnement*)

The Group operates its industrial installations within a strictly regulated framework, particularly as regards the environment. All of the Group's thermal power plants and its anaerobic digestion installations (depending on their size and the type of organic matter they process) are governed by laws and regulations applying to classified installations (ICPE). The ICPE regulations also require the rehabilitation of sites when the classified activity is discontinued and the provision of financial guarantees for certain installations (see further information in section 6.3.1.4, page 169 of the Registration Document). More generally, the Group's activities are governed by all the laws and regulations arising from the transposition into French law of the European Directives and Regulations on the protection of the environment (including in particular Directive 96/61/EC of 24 September 1996 on integrated pollution prevention and control).

Classified installations for environmental protection are supervised by the local Prefects and the DREAL (the French regional environment, planning and housing authorities), which are responsible for inspecting the installations. In the event an operator fails to comply with the applicable conditions it may face criminal action and the Prefect may also impose administrative sanctions, which can include a temporary ban on operating the installation; the Prefect can even propose its closure by means of a Council of State decree.

Mechanism for compensating extra costs for public service missions

Article L.121-6 et seq. of the Energy Code provide for a mechanism for compensating costs charged to the public service missions assigned to EDF and the local distribution companies, through a contribution to the public service charges for electricity (*CSPE - Contribution au Service Public de l'Électricité*), the use of which is supervised by the Energy Regulation Board (*Commission de Régulation de l'Énergie*). This contribution is paid by end-users in the form of an amount added to the regulated sales tariffs or to the network access tariffs, or directly by producers when they are producing electricity for their own consumption.

In support of this mechanism, EDF uses first and foremost those producers located in zones where electricity production costs are structurally higher than in mainland France who propose the most competitive solutions: Albioma is its main supplier in the overseas *départements*.

Regulation on greenhouse gas emission quotas

From 2013 the electricity sector will no longer benefit from free quotas for installations producing electricity only, which will have to purchase quotas at auction. Free quotas will only be available for cogeneration plants, based on the fraction of capacity not sold to the networks. Pursuant to the most recent amendments to the agreements entered into by EDF and the Group plants, the plants charge EDF for the cost of buying quotas and pass on to it the quotas acquired within the framework of their cogeneration business.

1.3.2.2. Contractual framework applying to the sale of electricity

The Group operates its electricity production plants on the basis of long-term power supply agreements with the relevant network operator (EDF in France, Central Electricity Board (CEB) in Mauritius, ENDESA in Spain and GSE in Italy). This means that the electricity generated by the Group is "pre-sold" on a long-term basis. However, the Brazilian electricity market operates in quite a different way.

The Group enters into individual electricity supply agreements and also, in France, agreements under a system that requires EDF and local distribution companies to purchase the electricity at a price set by the public authorities, in some cases following a competitive-bidding process organised by the Energy Regulation Board (similar systems exist in other European countries). Solar and Anaerobic Digestion agreements are entered into within this specific framework. They are pre-formulated standard contracts, and their terms are defined by the public authorities.

Contractual framework of the Thermal Biomass activity

France

Each Group company operating a base load thermal power plant in France has signed a long-term agreement with EDF (separate agreements have been signed for each of the Albioma Le Gol commissioning tranches), which provide that the Group will ultimately become the owner of the operating facilities and retain control over the land on which the facilities are built.

The Group's investments in Thermal Biomass plants in the overseas *départements* fall within the scope of the Ministerial Decree of 23 March 2006 which provides, with regard to calculation of the tax contribution to the public service charges for electricity (*CSPE - Contribution au Service Public de l'Électricité*), for an interest rate, before taxes, of 11% on capital invested, in electricity production installations in non-connected areas.

The general structure of each of these contracts is based on the following economic balance. Each power plant supplies to EDF, as the sole purchaser, available capacity remunerated by a set annual premium, combined with a premium/penalty system, fines and an indexing mechanism. EDF has the right to utilise the power plant's capacity whenever it wishes, in exchange for payment of the set premium which covers all fixed costs generated by the financing, construction and maintenance of the plant, and the producer's margin.

The set premium is calculated using the following formula:

$$\text{Set premium} = \text{Set reference premium} \times \left(\frac{\text{actual available Capacity}}{\text{contractual available Capacity}} \right)$$

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1.3. Main activities and markets

For each power plant, the set reference premium is linked to a composite index comprising labour and equipment cost variation indicators. In addition, for base load power plants (other than Albioma Caraïbes), the set reference premium is reduced in stages. Successive refinancing packages arranged for each power plant on maturity of the initial financing

should ensure, through the reduction of financing costs, stability over the contractual term of the net cash flows generated by the power plant excluding the indexing mechanism, after reduction of the set reference premium.

The following table shows the reductions in the set premium to be applied in the future, and the contractual expiry dates, which may be extended by contractual amendment.

<i>In thousands of euros</i>	01/01/2014	01/01/2018	01/01/2019	01/01/2023	01/01/2024	Expiry
Albioma Bois-Rouge 1 (tranches 1 and 2)	–	3,131	–	–	–	2027
Albioma Bois-Rouge 2 (tranche 3)	–	–	3,662	–	–	2039
Albioma Le Gol A (tranches 1 and 2)	–	–	–	3,126	–	2030
Albioma Le Gol B (tranche 3)	–	–	5,290	–	–	2030
Albioma Le Moule	4,103	–	–	–	3,393	2033
Albioma Caraïbes	–	–	–	–	–	2040

Power generated by each plant is remunerated by payment of a proportional price, which varies depending on whether the energy source is coal, bagasse or dual-fuel, and which is linked to fuel supply prices.

Modulation services (reduction in capacity or stops/starts requested by the network) are remunerated by payment of specific prices linked to the proportional “coal” prices.

In order to manage long-term risks, the agreements contain a safeguard clause designed to maintain the economic balance of the agreement in the event of any unforeseeable new circumstances beyond the producer’s control, affecting the balance after signature (see information in section 3.2.1.1., page 85 of this Registration Document on the implementation of the safeguard clauses in purchase agreements entered into by Albioma Le Moule, Albioma Le Gol and Albioma Bois-Rouge during the 2013 financial year).

Mauritius

In Mauritius, agreements were signed with the Central Electricity Board (CEB) for a 20-year term, which can be extended at any time by mutual agreement. The first agreement will expire in 2020.

The electricity purchase price is based on:

- payment for the availability of capacity, which can be reduced if the power plant’s availability rate falls below the rate stipulated in the agreement, or increased if the rate is higher than the rate stipulated in the agreement;
- the sale price of electricity per kWh, which is linked to fuel supply prices.

Brazil

The Brazilian electricity market essentially consists of:

- a regulated market (73% of consumption), on which electricity is purchased by means of a competitive-bidding process resulting in the award of concession agreements on the basis of the lowest price; in these cases, electricity is sold under 20-year purchase agreements;
- a free market (27% of consumption), on which agreements are negotiated bilaterally with industrial customers (terms and conditions, duration, index-linking formula) for a period of between one and five years depending on the price structure;
- the price of electricity sold is generally linked to inflation only; the producer has a duty to deliver the energy sold or to buy in energy in order to satisfy its supply obligations.

Contractual framework of the Anaerobic Digestion and Solar businesses

Electricity produced by the Anaerobic Digestion and Solar installations is sold within the framework of electricity purchase obligations, in some cases following a competitive-bidding process. Agreements require the electricity distribution network operator to purchase all the electricity generated at a contractually agreed price; agreements are entered into for between 20 and 25 years depending on the country.

Solar

In France, almost all the Group’s photovoltaic installations operate within the framework of the preferential tariffs set in the government order of 10 July 2006. A few installations operate under the tariffs defined in the government orders of 12 and 15 January 2010 and 16 March 2010.

New pricing conditions were defined in a government order dated 4 March 2011, following the moratorium introduced by Decree 2010-1510 of 9 December 2010 which, subject to certain exceptions, suspended the purchasing obligation for new projects. With the exception of ground-based installations and installations on buildings with a capacity in excess of a certain threshold, electricity generated by photovoltaic installations is purchased at a preferential tariff, which is reduced from time to time on the basis of the accumulated capacity of the installations. Ground-based installations and installations on buildings with a capacity above a certain threshold are, however, now operated within a competitive-bidding framework. As a result of this change, the Group’s new photovoltaic projects are no longer covered by the preferential tariff and fall within the competitive-bidding framework because of their technical characteristics (capacity and type of installation). Two projects, one on Reunion Island (1 MW) and one in French Guiana (2MW), operate under this new system: the Group was awarded the contracts in 2013 following a submission of tenders, with respective commissioning dates of summer 2014 for the Reunion Island installation and 2015 for the French Guiana installation.

The Group’s Spanish and Italian photovoltaic installations operate within the framework of a regulated tariff and long-term agreements, subject to the following:

- a recent change in Spanish regulations has capped the regulated tariff at 1,250 equivalent full power hours (EFPH), with the surplus energy being sold at market prices and therefore on less advantageous terms;
- in Italy, the Group’s installations operate under a set tariff, plus a variable remuneration based on the state of the electricity market in Italy.

Anaerobic Digestion

The original mechanism, introduced in 2006 and amended in 2011, featured an obligation to purchase electricity produced from biogas and a guaranteed feed-in tariff for injected biogas. This price framework was improved by a government decree and orders on 27 February 2013, authorising the coexistence of the two forms of production.

The purchase price for electricity generated from biogas is based on the following components:

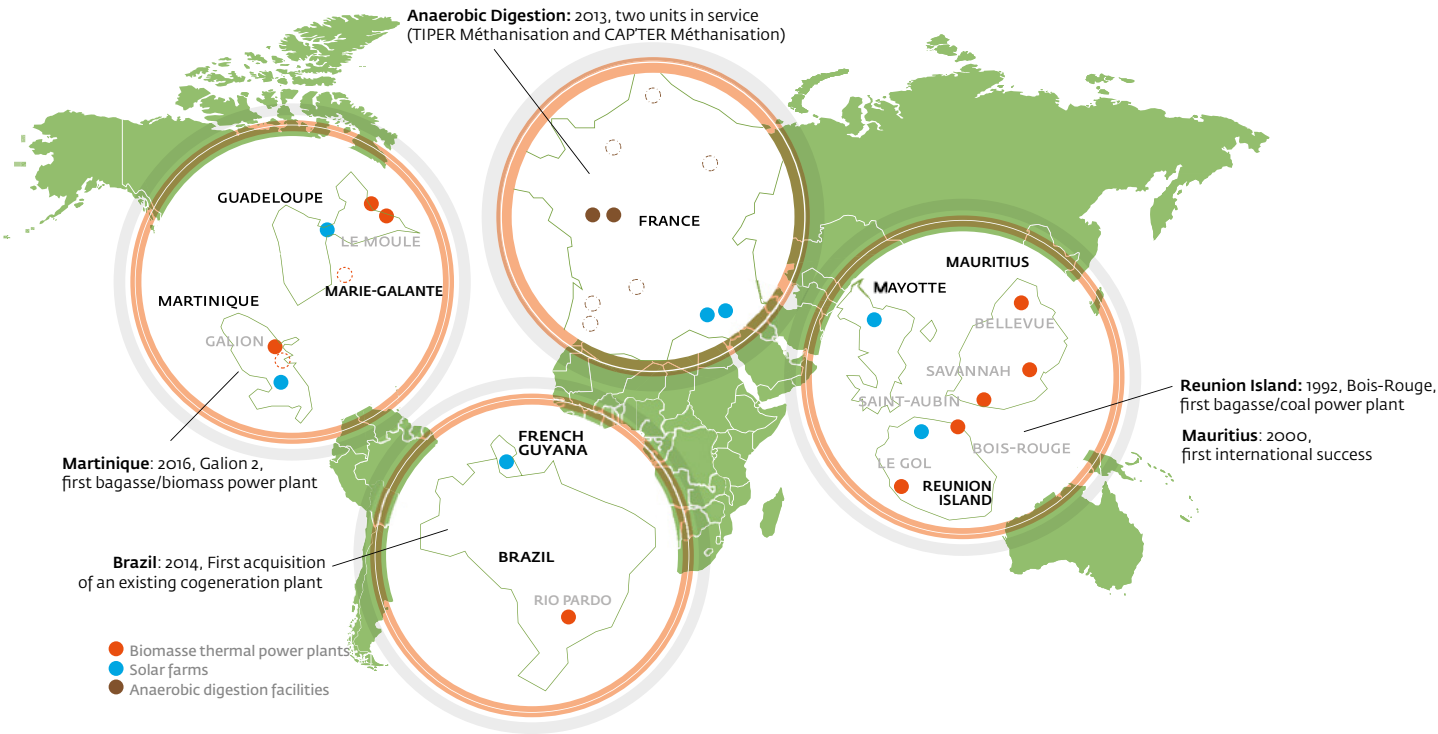
- a basic price, which tapers according to the installed capacity of the production facility;

- a “livestock effluent” bonus, which tapers based on the production facility’s installed capacity and the percentage of agricultural biomass in the inputs;
- an “energy efficiency” bonus based on the extent to which heat produced by the plant is recovered.

The price for biogas recovered by injection into the transmission network is based on the following components:

- a basic price, which tapers according to the unit’s maximum biogas production capacity;
- bonuses based on the inputs.

1.3.3. MAIN MARKETS



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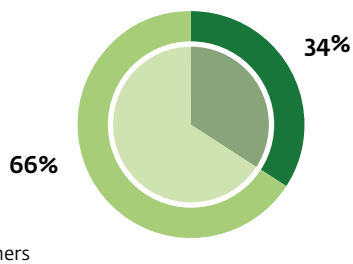
1.3. Main activities and markets

1.3.3.1. Albioma: a front-line player in the electricity production sector in the French overseas départements and Mauritius

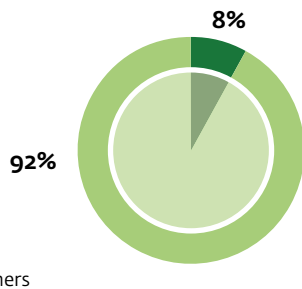
Albioma is the leading electricity producer in France's overseas départements alongside EDF, and is a key partner of the Mauritius Central Electricity Board. The Group positions itself vis-a-vis electricity network managers on the alternative energy production market segment. It can thus meet basic electricity needs and also respond to local demand for increased use of renewable energies.

Proportion of total electricity production generated by the Group in the overseas départements and Mauritius in 2013¹

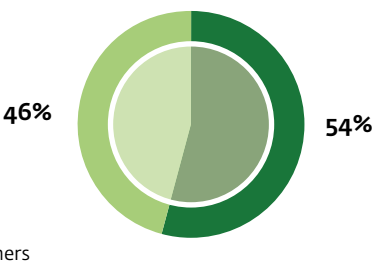
Guadeloupe



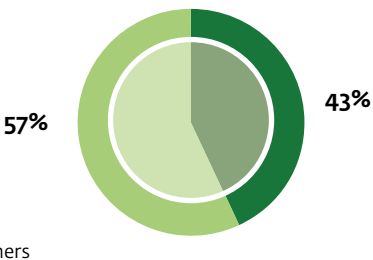
Martinique



Reunion



Mauritius



1. The proportion of total electricity production generated by the Group in Mayotte and French Guinea is immaterial, as the Group only has photovoltaic installations.

2. Source: EurObserv'ER, The State of Renewable Energies in Europe, 2013 Edition.

3. Source: EurObserv'ER, The State of Renewable Energies in Europe, 2013 Edition.

1.3.3.2. Thermal Biomass

Overview of the global market

This market reflects the worldwide rising trend in electricity production by thermal power plants, borne out from year to year.

Production is boosted not only by the general factors underpinning the steady increase in electricity demand (population growth, economic development and rising consumption standards in emerging nations, etc.) but also by a series of specific factors:

- declining number of as-yet undeveloped sites suitable for hydroelectric facilities (in many cases poorly located);
- a growing reluctance to build new nuclear power plants in many countries;
- awareness of the obstacle to mass development of wind and solar power posed by the intermittent nature and high production cost of these forms of energy.

At global level, electricity production from solid biomass grew at an average rate of 7.9% per year over the period 2002-2012, compared with an average annual growth rate of 3.4% for total electricity production, and 4.7% for total production from all renewable energy sources². A steadily increasing number of coal-fired power plants are being converted to operate as either dual-fuel coal/biomass or all-biomass plants.

In 2012, some 232.5 TWh of electricity, representing a little over 1% of the global total (but 7% in Brazil), was produced from solid biomass, making it the third-largest source of renewable energy (total output from renewables: 4,699 TWh), after hydro-electricity (3,663.4 TWh) and wind power (534.3 TWh) but well ahead of solar power (104.5 TWh)³.

At European level, the 15th EurObserv'ER inventory of renewable power generation revealed that over the decade from 2002-2012, solid biomass-fuelled electricity production grew at an average annual rate of 9.7% in western Europe (compared to 0.7% for total electricity production and 4.9% for electricity production from all renewable sources). In 2012, solid biomass was used to generate 62.7 TWh of electricity in this region, representing 1.9% of total electricity production (3,264 TWh) and 6.4% of electricity production from renewable sources. This figure of 62.7 TWh ranks solid biomass after hydro power (574.2 TWh) and wind power (196.4 TWh) and almost equal with solar power (68.3 TWh).

Considering the French market, the same source notes that over the period 2002-2012, electricity production featuring solid biomass grew at an average annual rate of 5.3% in France (compared with 0% for total electricity production and 2.3% for renewable production). In 2012, solid biomass was used to produce 1.9 TWh of electricity in France, representing 0.34% of total electricity production (561 TWh) and 2.2% of renewable production. Based on this figure of 1.9 TWh, solid biomass ranked as the fourth-largest renewable source over the studied period, after hydro power (62.5 TWh), wind power (14.9 TWh) and solar power (14.1 TWh), but offers major competitive advantages in terms of its relative growth outlook.

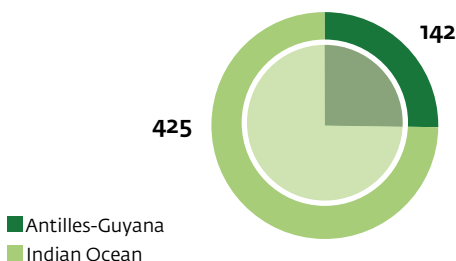
Strong, well-established positions in the French overseas départements and Mauritius

These regional markets are of prime importance for Albioma, and continue to offer growth prospects due to their ongoing requirement for additional power generation capacities. The Group's thermal power plants located in these regions produce a significant proportion of their electricity.

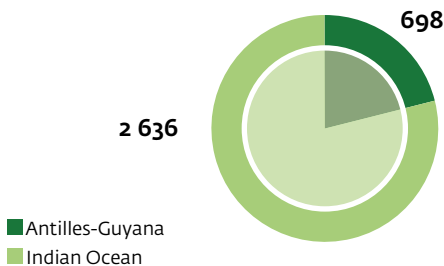
In these markets, Albioma has long been the only significant thermal power generator apart from the traditional national operator, EDF (via its subsidiary EDF Production d'Électricité Insulaire) and the Central Electricity Board on Mauritius. As such, Albioma enjoys a strong competitive position, particularly as multiple barriers to entry exist.

Firstly, the relatively narrow nature of these markets and geographic and geological constraints preclude the construction of nuclear power plants or even large-scale conventional thermal power plants of the type with which most engineering contractors and operators are familiar. Secondly, topographical restrictions limit the number of sites where power plants could be built. Lastly, the geographical configuration of several of these islands offers little scope for increasing the density of the power grid, to such an extent that many areas are not located near a connection.

Installed capacity (in MW) of the Thermal Biomass activity in 2013, by geographical region



Electricity production (in GWh) by the Thermal Biomass activity in 2013, by geographical region



More recent initiatives to roll out Albioma's business in Brazil

For the past two years, the Group has been actively prospecting among sugar refineries in Brazil, with a view to purchasing energy production facilities adjacent to their factories in order to modernise them and upgrade their energy performance.

In March 2014, Albioma announced the acquisition of Rio Pardo Termoeletrica, a 60 MW cogeneration plant located in the State of São Paulo (for more details, see § 3.5.1.1 on page 90 of this Registration Document). This plant, located in an excellent area for sugar-cane growing, operates all year round using the bagasse resulting from the nine-month sugar harvest.

An exceptionally deep market

Brazil is the world's leading sugar producer (36 million tonnes of sugar produced in 2013, representing 22% of total world production and 45% of global exports), the world's number one sugar cane producer (590 million tonnes of cane processed in 2013) and the second-largest ethanol producer (more than 25 billion litres produced in 2013, representing 22% of global production and 38% of exports).

There are currently more than 400 sugar refineries operating in Brazil, making it the world's deepest market for bagasse-based energy production. Today, 7% of the country's electricity is produced by recovering bagasse, despite mediocre performance by existing cogeneration units (with an average of 40 kWh/tonne of cane exported to the electricity grid, compared with 120 kWh/tonne of cane by the Group's most efficient plants in Overseas France).

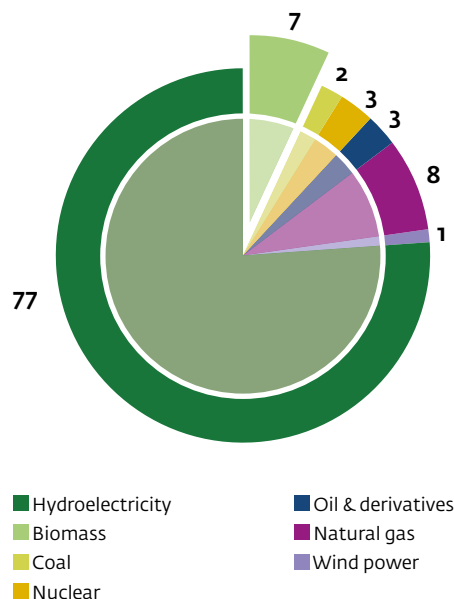
An offering tailored to the needs of the sugar cane industry

Brazil's sugar cane industry is having to invest in order to remain competitive. Sugar-making industrials are seeking to improve their agricultural yields and increasing the individual capacities of their facilities. Over the past two years, the industry has also had to cope with challenging climate conditions (including, most recently, a severe drought). This context has offered an opportunity for Albioma to leverage its unique energy efficiency expertise, by not only addressing the need for technical know-how expressed by sugar makers as they strive to enhance their competitiveness but also offering a solution to the cash flow issues associated with their necessary investments.

A booming market

The Brazilian electricity market – characterised by an installed capacity equivalent to that of France but with a population three times larger – offers very considerable growth potential. Power generation installed capacity is forecast to grow at an average annual rate of 5% over the next 10 years, compared with a figure of only 0.4% in France. Renewable energy sources (hydro power, wind power and biomass) will make up the lion's share of the new capacity. Total installed capacity is expected to increase by 50% by 2020, rising from 120 GW to 180 GW¹.

Brazilian energy mix in 2012 (%)

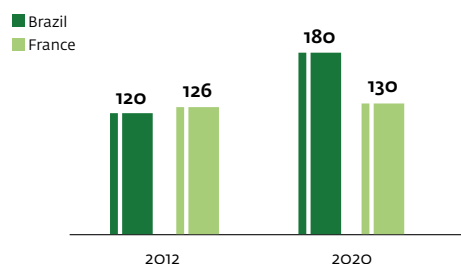


1. Source: Albioma in-house analyses.

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1.3. Main activities and markets

Growth outlook for power generation installed capacity in Brazil and France over the period 2012-2020 (in GW)¹



1.3.3.3. Anaerobic Digestion

Europe leading the way

Growth in this market is essentially concentrated in the European Union, which is the world's leading region for biogas production, accounting for more than half of global output, ahead of the United States and Canada. In keeping with the European Union's target to cover 20% of its energy requirements with renewables by 2020 (Directive 2009-28 EC), it established a programme to support the development of renewable energy industries (Directive 2009-20 EC), resulting in the adoption of a "biogas roadmap" in national renewable energy action plans. The EU also issued directives relating to the reduction of landfill disposal of biodegradable waste and waste recovery and recycling (Directive 2008-98 EC).

In application of these directives, several member States have introduced incentives to create anaerobic digestion facilities, in the form of subsidies and attractive tariffs. Germany was among the first countries to implement such a policy. As Germany seeks to phase out nuclear power, significantly expanding anaerobic digestion offers the advantage of broadening the renewable energy spectrum beyond wind and solar power, which suffer the disadvantages associated with their intermittent nature. The agricultural anaerobic digestion sector has grown very rapidly in Germany, and by September 2012, the country already had 7,000 agricultural anaerobic digestion units with combined power generating capacity approaching 3,000 MWe.

In France, until 2011, the feed-in tariffs for electricity generated from biogas obtained from anaerobic digestion did not provide a significant incentive. As a result, the sector's development did not begin until much later than in Germany. At the end of 2010, there were fewer than 50 agricultural anaerobic digestion facilities in France, with a total installed power of approximately 10 MWe.

As of June 2013, agricultural anaerobic digestion was France's third-largest source of biogas production². The environment and energy management agency (ADEME) also reported a further 27 registered projects (with a combined capacity of 36 MWe) at the grid connection application stage, compared with a total of 14 registered projects (totalling 17 MWe) at the end of 2012.

Albioma began production ramp-up at two anaerobic digestion units in 2013

In 2013, the Group began production ramp-up operations at two collective agricultural anaerobic digestion units:

- In April, the 2 MWe Tiper Méthanisation plant located in Thouars (Deux-Sèvres), which will process 80,000 tonnes of biomass (manure, slurry, plant co-products and agri-business waste) per year, injecting 17,400 MWh into the electricity network under the terms of a 15-year contract, supplying 7,400 MWh of heat to a neighbouring industrial facility and recovering the digestates resulting from the anaerobic digestion process in the form of fertilizers that will be provided as a substitute for purchased chemical fertilizers.
- In November, the 0.5 MW Capter Méthanisation plant located in Saint-Varent (Deux-Sèvres), which will process more than 15,000 tonnes of biomass annually, to produce 4200 MWh of electricity and an equivalent amount of heat energy, as well as supplying digestate to farmers as a substitute for chemical fertilizers.

The biogas production targets set for 2020 at the Grenelle environmental summit provide for an installed capacity of 625 MWe in France, of which 80% from agricultural anaerobic digestion. Albioma aims to increase the installed capacity of its Anaerobic Digestion business to 40-50 MWe within 10 years.

1.3.3.4. Solar Power

A steadily growing global market

At global level, photovoltaic electricity installed capacity, which was no more than 1,500 MW in 2000, rose to almost 9,500 MW in 2007 and then 40,000 MW in 2010. Growth remained very strong in subsequent years, reaching 70,000 MW in 2011, more than 100,000 MW in 2012 and 135,000 MW in 2013³. The boom in the global photovoltaic power fleet continued unabated between 2007 and 2013, despite the context marked by economic and financial crises. China is playing an increasingly large role in the growth.

In the European Union, photovoltaic electricity installed capacity, which was less than 200 MW in 2000, approached 5,000 MW in 2007 and 30,000 MW in 2010. The figure broke the 50,000 MW barrier in 2011 and reached 68,000 MW in 2012, largely driven by Germany. Preliminary estimates for 2013 indicate that capacity grew again significantly in 2013, but at a slower pace, due to a reduction in the number of new German facilities. The main causes of this slowdown include a reduction in feed-in tariffs and an increase in the proportion of photovoltaic power generated for on-site consumption by smaller installations than those used to inject electricity into the grid.

In France, the photovoltaic power market had an installed capacity of 4,478 MW (of which 318 MW in the overseas departments) at the end of the third quarter of 2013, compared with 1,000 MW in 2010⁴.

Extending Albioma's offering

The strategy implemented by the Group since 2006, when it moved into the sector, has consisted in building its Solar Power business not only in its traditional markets (Guadeloupe, Martinique and Reunion Island) but also in French Guyana, the South of France, Spain and Italy, which benefit from excellent sunshine conditions.

The Group adapts the pace at which it is developing this activity, and the corresponding locations, to reflect the changing mechanisms and regulations applicable in its target regions.

1. Source: Albioma in-house analyses.

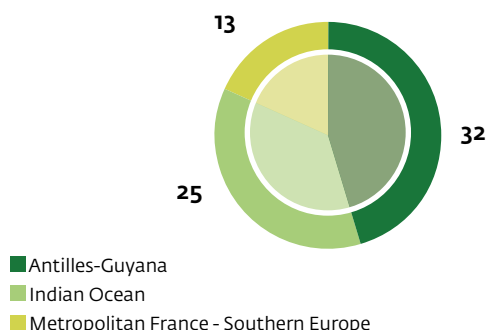
2. Source: ADEME, État des lieux et dynamique du parc d'installations biogaz en France (Biogas facilities in France - Assessment and trends), June 2013.

3. Source: European Photovoltaic Industry Association (EPIA).

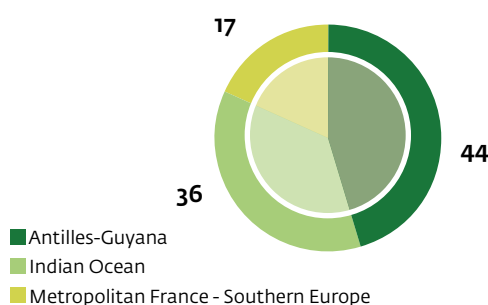
4. Source: EurObserv'ER, The State of Renewable Energies in Europe: 2013 Edition.

In 2013, Albioma accounted for 20% of the total photovoltaic installed capacity in the Antilles-Guyana region, and 14% of the Indian Ocean region¹.

Solar Power installed capacity (in MW) in 2013, by region



Power generation (in GWh) by the Solar Energy business in 2013, by region



1.4. Strategic priorities and investment policy

In 2012, the Group revealed a new strategy based on highly efficient recovery of all forms of biomass without conflicts of use combined with international growth.

In an energy sector dominated by rising fossil energy costs, Albioma targets markets offering strong growth potential, with the firm conviction that biomass free from conflicts of use will play a major role in the development of environmentally-friendly and competitive base load electricity production. The Group intends to consolidate its positions in Overseas France by developing a bagasse/biomass model that will gradually supersede the existing bagasse/coal model, and by harnessing solar power as a cost-effective source of green energy. In mainland France, Albioma is focusing its efforts on developing anaerobic digestion processes to produce biogas from farm waste. Lastly, in the international arena, the move into Brazil – an agricultural powerhouse with a high proportion of renewable sources in its energy mix – holds out the prospect for a raft of new projects in the short and medium term.

1.4.1. THE AMBITION FOR BIOMASS

Two innovative all-biomass projects in the French overseas departments

In keeping with the strategy set out in 2012, new projects developed by the Group in the French overseas departments are now all-biomass. Coals, which existing thermal power plants use as a substitute fuel for bagasse outside sugar harvests, will be replaced wherever possible by locally-sourced biomass, with any additional requirements being met by biomass imported from North America and Brazil.

The Group is developing two iconic projects that embody this strategic stance.

In 2013, the necessary permits and authorisations enabling the construction of the Galion 2 project in Martinique (38 MW, €180 million in investment, 80% target stake) were obtained. Negotiations between the Group and EDF are continuing with a view to changing the initial bagasse/coal contract to a bagasse/biomass contract; the aim is to commission the plant in 2016.

The Marie-Galante project in Guadeloupe (13 MW, €80 million investment, 50% target stake) was relaunched in 2013 in spectacular fashion from a political perspective, given the shift away from the original bagasse/coal model in favour of a bagasse/biomass model. The relevant permits and authorisations will be applied for in 2014-2015, and contract negotiations with EDF will be conducted over the same period. The plant is scheduled to begin operating in 2017-2018.

In parallel, the Group is examining the scope for using locally-sourced biomass as a substitute for coal at its existing bagasse/coal power plants.

A brownfield or greenfield project in Brazil every 12 to 18 months

In 2013, the Group announced that Brazil would be its priority among international markets.

Following the announcement on 5 March 2014 of the acquisition of its first cogeneration plant in Brazil (see § 3.5.1.1, page 90 of this Registration Document for details), and in view of the exceptional depth of the Brazilian bagasse cogeneration market, Albioma has identified numerous opportunities to acquire existing brownfield cogeneration plants or develop new greenfield projects. The Group is in ongoing discussions with several potential partners, with the aim of building a new project every 12 to 18 months on average.

This is consistent with Albioma's goal of investing €400 million in Brazil by 2023.

1.4.2. MODERNISATION OF EXISTING PLANTS

The embodiment into French law of the Industrial Emissions Directive (2010/75/EU of 24 November 2010) by two decrees (2013-374 and 2013-375 of 2 May 2013), supplemented by the ministerial order of 26 August 2013 on combustion installations rated at or above 20 MW and subject to authorisation under the terms of Section 2910 and Section 2931 of the register of installations classified for protection of the environment (ICPE), requires the Group to bring its thermal facilities located in overseas France into compliance by no later than 1 January 2020. In particular, the new provisions significantly reduce the emissions limits for gaseous atmospheric pollutants (sulphur oxide, nitrogen oxide, carbon monoxide and particulate matter).

1. Source: Albioma in-house analyses and the EDF island energy systems assessment of 31 December 2013.

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1.4. Strategic priorities and investment policy

The Group intends to implement the most cost-effective technological solutions, with the aim of minimising investment and maintaining the competitiveness of our facilities.

In this respect, Albioma expects to invest around €200 million over the period 2014-2019.

As a result, discussions are underway with EDF with a view to implementing clauses designed to safeguard the economic balance of long-term electricity sale agreements. These clauses guarantee a minimum remuneration equivalent to 11% of capital expenditure.

1.4.3. ANAEROBIC DIGESTION – PRODUCTION RAMP-UP

In 2013, Albioma announced the startup of its Anaerobic Digestion business's first two units: Tiper Méthanisation and Capter Méthanisation. Production ramp-up activities at these two facilities are continuing, and they are expected to be running at full power and ready for commercial operation during the second half of 2014. A total of €20 million is being invested in these activities.

Three or four new projects will begin operating in 2014, including a unit that enables biogas to be injected into the gas transmission network, requiring a total investment of around €20 million.

Albioma's goal is to increase the installed capacity of its Anaerobic Digestion business to 40-50 MWe within the next 10 years.

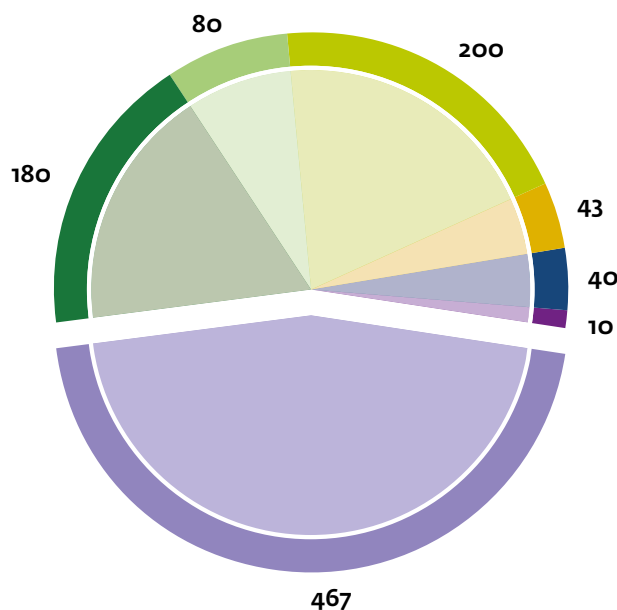
1.4.4. SOLAR POWER - BIDDING FOR CONTRACTS FOR SOLAR FARMS WITH STORAGE CAPABILITIES

In the light of changes in pricing regulations, the Group is henceforth positioned to respond to requests for proposals issued by France's energy regulation commission (*Commission de Régulation de l'Énergie, CRE*) in relation to photovoltaic projects that feature a significant technical innovation (installations with energy storage capabilities). The Group submitted the winning proposals for two such projects in 2013: a 1 MW facility on Reunion Island (scheduled to begin operating in the summer of 2014); and a 2 MW installation in Guyana (scheduled to come onstream in 2015). These projects represent a combined investment of €10 million over the period 2013-2014.

1.4.5. CONFIRMATION – €1 BILLION TO BE INVESTED IN GROWTH OVER THE PERIOD 2013-2023

The Group confirmed its target to invest €1 billion for growth over the period 2013-2023, of which €533 million has now been secured. These investments will be financed as follows: 60 to 70% via project-related borrowings and 30 to 40% from equity advanced by Albioma and, in some cases, investment partners.

€1 billion invested in growth over the period 2013-2023 (in millions of euros)

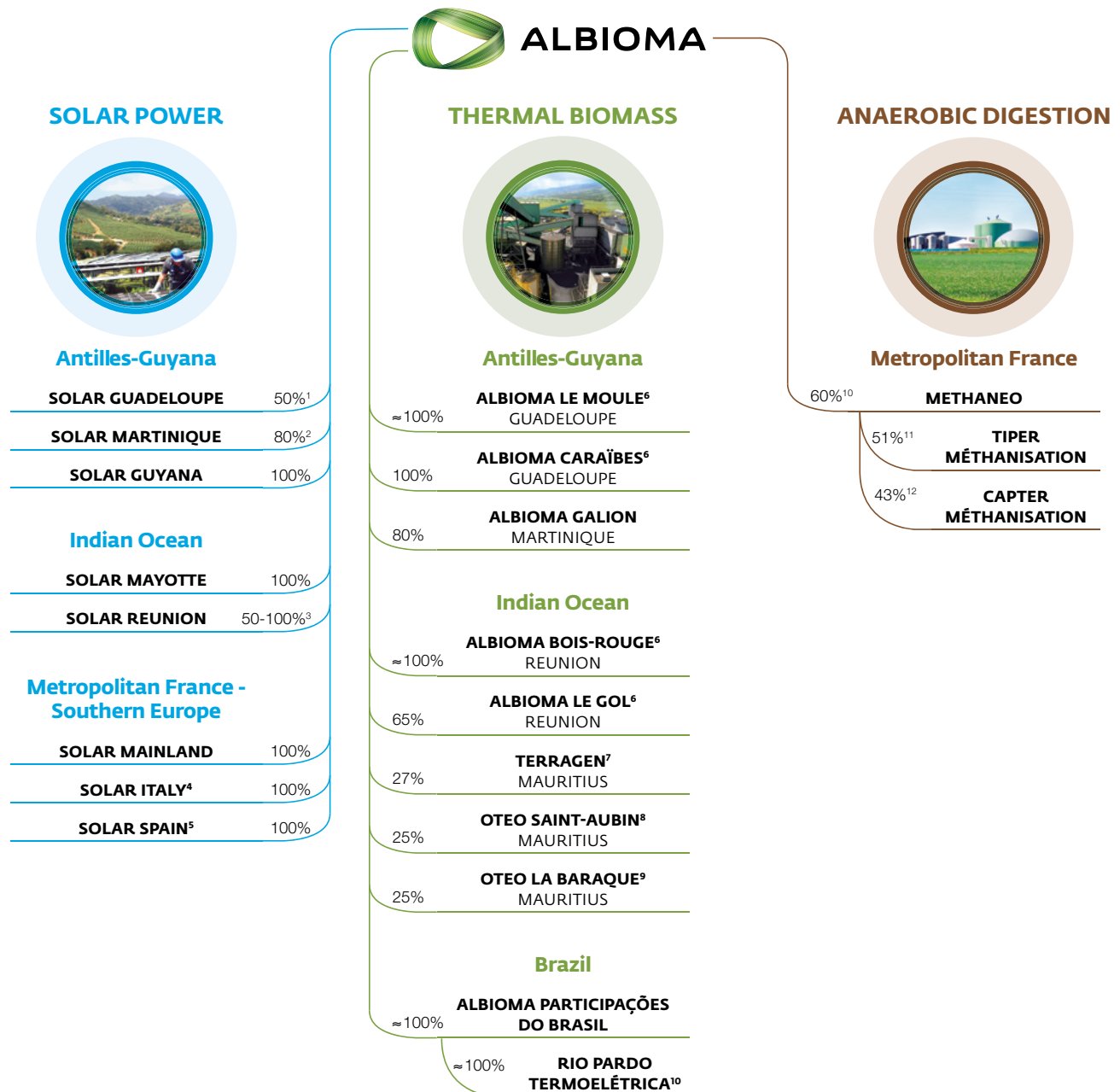


- Galion 2
- Marie-Galante
- Investment in modernisation work at existing thermal plants
- Brazil (Rio Pardo Termoelétrica)
- Anaerobic Digestion
- Solar Power
- Other projects currently under development (Brazil, Anaerobic Digestion, peaking power plants, Solar Power with integral energy storage)

1.5. Organisation

1.5.1. SIMPLIFIED LEGAL ORGANISATION CHART (AS AT THE REGISTRATION DOCUMENT FILING DATE)

The following organisation chart shows the simplified legal structure of the Group's main operating companies.



1 The Group owns 50% of Energipole Quantum SAS (alongside the Energipole group) and Quantum Caraïbes SAS (alongside the Financière Duval group).

2 The Group owns 80% of Albioma Solaire Habitat SAS, Albioma Solaire Antilles SAS and Albioma Solaire Lassalle (alongside the COFEPP group).

3 The Group owns 100% of Albioma Solaire Réunion SAS, Plexus Sol SAS, Albioma Solaire Bethléem SAS, and 50% of Albioma Power Alliance SAS (alongside the Energipole group).

4. Quant Energia companies.

5. Sun Developers and Sun Orgiva companies.

6. The main subsidiaries of Albioma Le Moule SA, Albioma Caraïbes SAS, Albioma Bois-Rouge SA and Albioma Le Gol SA are, respectively, Caraïbes Thermique Production SA, Caraïbes Energie Production SAS, Exploitation Maintenance Services SA and Sud Thermique Production SA. They own more than 99% of these subsidiaries, which provide services to the operating companies.

7. The Group owns 27% of Terragen Ltd alongside a consortium (HBM) of sugar production and sugar cane plantation companies in the North of Mauritius, a cooperative investment company owned by sugar industry workers in Mauritius (Sugar Investment Trust) and the State Investment Corporation, a public sector company in Mauritius.

8. The Group owns 25% of Omnicane Thermal Energy Operations Saint-Aubin Ltd, alongside the sugar producer Mon Trésor et Mon Désert Ltd and the Sugar Investment Trust.

9. The Group owns 25% of Omnicane Thermal Energy Operations La Baraque Ltd, alongside the sugar producer Mon Trésor et Mon Désert Ltd and the Sugar Investment Trust.

10. Alongside its two founders, also Chairman and CEO respectively of Methaneo SAS.

11. Alongside Sélolis SAEM and the local biomass association l'Association des Apporteurs de Biomasse du Bassin Thouarsais.

12. Alongside Sélolis SAEM and Avena Méthanisation SAS since January 2014. As at 31 December 2013, Methaneo SAS held 50.4% of the capital of Capter Méthanisation SAS.

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1.5. Organisation

Additional information on the Group's legal structure

For the development and operation of each major industrial installation, in almost all cases the Group uses project companies that it coordinates. The Company acquires shareholdings in these companies ranging from 20% to 100% depending on various criteria including the geographic location, local regulatory constraints and the benefits obtained from the presence of partners. The Company thus generally has an exclusive or large majority holding in the companies operating the production units located in mainland France, and a non-controlling interest in those operating the thermal power plants located in Mauritius.

A list of all companies that are fully consolidated or consolidated according to the equity method as at 31 December 2013 is provided in Note 37 to the consolidated financial statements for the 2013 financial year, in chapter 4, page 134 of this Registration Document.

Acquisitions and disposals of participating and controlling interests

Significant acquisitions of participating and controlling interests in 2013

The following significant transactions took place in 2013:

- creation by the Company of a Brazilian company Albioma Participações do Brasil Ltda, in which it has a 99.9% interest (see further information in section 3.5.1.1, page 90 of this Registration Document on the acquisition by the Group, via this subsidiary, of 100% of the capital of the Brazilian company Rio Pardo Termoelétrica Ltda at the start of the 2014 financial year);
- creation of project companies and acquisition of interests in existing project companies in connection with the Solar business (subscription by the Company to shares representing 7.5% of the capital of Energie de Martinique SAEML and 33% of the capital of Solaire de Martinique SAS) and the Anaerobic Digestion business (creation by Methaneo SAS of Lisieu Méthanisation SAS, Retz Nergie Méthanisation SAS, Biogazillac Méthanisation SAS and Pays de Falaise Méthanisation SAS).

Disposal of significant interests in 2013

In 2013 the Group disposed of the following assets:

- the Wind business entities in operation and development to EDF Energies Nouvelles in February 2013, consisting of the sale of 100% of the capital of the following companies: Éoliennes de Marne et Moselle SAS, Éoliennes des Crêtes d'Héninel SAS, Éoliennes de Clanlieu SAS, Éoliennes de Clamanges et de Villeseneux SAS, Éoliennes de la Porte de France, Éoliennes du Sud-Arrageois SAS, Centrale Éolienne de la Carnoye SARL and Éoliennes de Gouzeaucourt SAS;
- 100% of the shares of the companies in the Solar business, namely Quantum Energie Saint-Gemme SAS and Quantum Energie Grenade SAS to Compagnie du Vente SAS (project companies for projects that were not selected in 2011 in the competitive-bidding process organised by the Energy Regulation Board (*Commission de Régulation de l'Énergie*)).

1.5.2. FUNCTIONAL ORGANISATION AND MANAGEMENT TEAM

Functional organisation

In 2013, the Group was organised around three business sectors covering Metropolitan France and Southern Europe (Metropolitan France, Italy and Spain), West Indies – French Guiana (Guadeloupe, Martinique and French Guiana) and the Indian Ocean (Reunion, Mayotte and Mauritius):

- Thermal Biomass;
- Solar;
- Anaerobic Digestion.

As part of the development of its Thermal Biomass activities in Brazil, a dedicated team has been set up under the responsibility of one of the Group's Chief Operating Officers.

Each division has its own resources assigned to operations and a Development Department.

The shared support services have been extended and the Group has continued to streamline their organisation around the following Departments:

- Purchasing and Maintenance Department;
- Technical and Construction Department and Industry and Innovation Department;
- Administrative and Financial Department, including Legal Affairs and Contracts Department, Accounting Department and Management Control Department;
- Social and Environmental Responsibility Department;
- Human Resources Department;
- Information Systems Department;
- Company Secretariat.

The Management Team

The Chairman and Chief Executive Officer, the two Chief Operating Officers and the Chief Financial Officer form the General Management Committee. The Executive Committee is a broader structure, comprising the members of the General Management Committee, the main department heads responsible for development and the heads of the main central support departments.

Jacques Pétry, Chairman and Chief Executive Officer¹

Born on 16 October 1954. He holds engineering degrees from the *École Polytechnique* and *École Nationale des Ponts et Chaussées*, and spent over 25 years working in the water and environmental sectors. In 1996, he was appointed Chairman and Chief Executive Office of SITA, and in 2001 he was appointed Chairman and Chief Executive Officer of Suez Environnement. In 2005, he was appointed Chief Executive Officer for Continental Europe and South America at Sodexo. From 2007 he advised investors in the environmental and energy sectors, first as Managing Director of Royal Bank of Scotland and then as an independent consultant. He served as Chairman of the Supervisory Board of Idex, an energy services provider, until October 2011. He joined Albioma (Séchillienne-Sidec at the time) in 2011 as its Chairman and Chief Executive Officer.

Pascal Langeron, Chief Operating Officer

Born on 7 May 1963. He is a graduate of the *Université de Technologie de Nîmes*, and started his career as a technician at APAVE Marseille in 1986. Between 1991 and 1994, he worked for Compagnie Thermique De Bois-Rouge. He then joined Séchillienne-Sidec, since renamed Albioma, where he was successively the Manager of Compagnie Thermique de Bois-Rouge, the Manager of Compagnie Thermique du Moule, Deputy Chief Executive Officer of Compagnie Thermique de Bois-Rouge and Head of the Indian Ocean area. In 2012, he was appointed Chief Operating Officer in charge of France.

¹ See further information in section 2.2, pages 32 et seq. of this Registration Document.

Frédéric Moyne, Chief Operating Officer

Born on 15 October 1975. He is a graduate of the *École des Hautes Études Commerciales (HEC)*, and started his career at Air Liquide in 1998. In 2001, he joined Séchilienne-Sidec, since renamed Albioma, as an Assistant to General Management, in charge of the financing of Group projects and purchasing. From 2005 to 2008, he was Director of Financing and Investor Relations. Between 2008 and 2011, he served as Head of Southern Europe, which area was then extended to include Metropolitan France, while at the same time retaining some of his previous responsibilities. In 2012, he was appointed Chief Operating Officer in charge of Renewable Energies (Wind/Solar/Anaerobic Digestion) and Group strategy. In 2013, he was asked to supervise the development of the Group's activities in Brazil, and relocated to that country.

Julien Gauthier, Chief Financial Officer

Born on 23 February 1977. He is a graduate of the *École des Hautes Études Commerciales (HEC)*, and started his career at Lehman Brothers, London, where he worked on mergers and acquisitions throughout Europe. He then joined Barclays' structured finance division, where he arranged financing packages for French SMEs. In 2007, he joined Apax Partners as Principal – Business Services investment portfolio, where he also had responsibility for arranging financing for acquisitions and companies in the portfolio. In 2012 he was appointed Chief Financial Officer of the Séchilienne-Sidec group, since renamed Albioma.

1.6. Property, plant and equipment

The Group's property, plant and equipment are described in Note 15 to the consolidated financial statements for the 2013 financial year, in chapter 4, page 115 of this Registration Document.

The following table shows the Group's main tangible assets used in current operations together with details of their ownership. As a general rule, the Group's production plants are held as follows:

- movable assets are fully owned or held under finance leases; fully owned assets have usually been pledged in favour of the relevant lenders until full repayment of the amount owed in connection with the project;
- land and buildings are fully owned or leased under long-term leases or construction leasehold right agreements.

Asset	Location	Activity	Total gross capacity (MW)	Land tenure	Facility tenure
Albioma Bois-Rouge 1 (units 1 and 2)	Reunion	Bagasse/coal cogeneration	60	Construction lease	Freehold
Albioma Bois-Rouge 2 (unit 3)	Reunion	Bagasse/coal cogeneration	48	Construction lease	Lease-purchase
Albioma Le Gol A (units 1 and 2)	Reunion	Bagasse/coal cogeneration	64	Construction lease	Freehold
Albioma Le Gol B (unit 3)	Reunion	Bagasse/coal cogeneration	58	Freehold	Freehold
Albioma Le Moule	Guadeloupe	Bagasse/coal cogeneration	64	Freehold	Freehold
Albioma Caraïbes	Guadeloupe	Coal-fired base-load thermal	38	Freehold	Lease-purchase
Albioma Galion	Martinique	Peaking thermal (combustion turbine)	40	Construction lease	Freehold
Terragen	Mauritius	Bagasse/coal cogeneration	70	Freehold	Freehold
OTEO Saint-Aubin	Mauritius	Bagasse/coal cogeneration	35	Freehold	Freehold
OTEO La Baraque	Mauritius	Bagasse/coal cogeneration	90	Freehold	Freehold
Solar – Mainland France	Mainland France	Ground array solar	8.2	Emphyteutic leases	Freehold
Solar – Indian Ocean	Reunion, Mayotte	Ground array and rooftop solar	25.3	Common-law leases	Lease-option
Solar – Antilles	Guadeloupe, Martinique	Ground array and rooftop solar	15.6	Common-law and emphyteutic leases	Freehold and lease-option
Solar – French Guyana	French Guyana	Ground array solar	16.0	Emphyteutic leases	Freehold and lease-option
Solar – Spain	Spain	Ground array solar	2.4	Emphyteutic leases	Lease-purchase
Solar – Italy	Italy	Ground array solar	2.0	Emphyteutic leases	Lease-purchase
Tiper Méthanisation	Mainland France	Anaerobic digestion	2.0	Freehold	Freehold
Capter Méthanisation	Mainland France	Anaerobic digestion	0.5	Freehold	Freehold

1.7. Research and development, patents and licences

In view of its business activities, the Group does not generally aim to own any processes or have a research and development activity. However, the group does carry outwork associated with research and development in order to improve its processes, and at times patent applications need to be filed. This work essentially concerns the Thermal Biomass and Anaerobic Digestion businesses. They are systematically analysed to assess whether they are eligible for the research tax credits.

THERMAL BIOMASS

The main focuses of the Group's strategy are outlined below:

- Research programmes led by the Engineering and Works department, aimed at:
 - improving thermodynamic performance of turbine generator assemblies and implementing these improvements at power plants operated by the Group;
 - shifting from chemical treatment of industrial water to more environmentally-friendly processes;
 - retrofitting the Group's oldest facilities with new combustion processes to reduce their environmental impact;
- Laboratory research programmes, aimed at:
 - characterising combustion by-products and potential outlets for recovering them in the construction industry, in earthworks and as cement substitutes;
 - conducting agronomic research programmes relating to biomass fuel resources available (without conflicts of use) in the countries and regions in which the Group operates.

ANAEROBIC DIGESTION

The main focuses of the Group's strategy are outlined below:

- Laboratory research programmes, aimed at:
 - studying anaerobic digestion inhibition phenomena associated with the presence of excessive quantities of certain nutrients such as ammonia and potassium;
 - researching processes to enhance the methane production potential of fibrous matter, in particular by using a combination of ammonia and heat;
 - studying the behaviour of liquid digestate (by centrifuging, flocculation, etc.);
 - running pilot trials in a range of conditions using various forms of biomass;
- Development, implementation, operation and follow-up of innovative processes at our plants in operation (biomass preparation, aerobic treatment and evaporative concentration of liquid digestate);
- Conducting agronomic research programmes studying the efficacy of digestate compared with other fertilizing agents (such as chemical fertilizers and livestock rearing effluent) and the use of intercropping.

1.8. Risk factors and insurance policy

The Group operates in an environment that is constantly evolving; like any company it is exposed to risks that could have a material adverse impact on its business activities, financial position or results (or on its capacity to achieve its objectives). This section describes the main risks to which the Group is exposed. The Company has assessed the risks that could have a material adverse impact on its activities, its financial position or its results (or on its capacity to achieve its objectives), and considers that all possible material risks are presented below.

The Company has put in place an internal control system, including risk management procedures, in order to prevent and control these risks. The internal control and risk management procedures are described in the report by the Chairman of the Board of Directors drawn up pursuant to Article L. 225-37 of the French Commercial Code, which can be found in section 2.6, page 73 of this Registration Document.

The elimination of all risks is impossible. Moreover, other risks not listed below because the Group is not currently aware of them or does not consider them to be material as at the date of filing of this Registration Document might have a similar adverse impact in the future.

1.8.1. OPERATIONAL RISKS

Operational incidents

The operation of industrial units entails risks, which cannot be totally eliminated, relating to industrial accidents (see § 1.8.2, page 22 of this Registration Document for details), production facility malfunctions, machine breakages or safety shortcomings.

Such incidents may render part or all of the production facility unavailable, either immediately after the incident or subsequently (for example if a scheduled maintenance shutdown must be extended in order to resolve the incident, in cases where such action may be postponed). In certain cases, unavailability of a facility may significantly impact the Group's trading results.

In the specific context of the Anaerobic Digestion business, it is not possible to operate facilities at full power until a ramp-up phase has been conducted, enabling the bacteria required for the anaerobic fermentation process to develop. The duration of the ramp-up period may be extended in the event of an industrial accident, production facility malfunction, machine breakage or safety shortcoming.

To reduce these risks, the Engineering and Works department oversees the maintenance programmes at Albioma's facilities (particularly those for the Thermal Biomass business and, in the future, facilities used for the Anaerobic Digestion business); this activity includes managing scheduled production outages. Production equipment suppliers are strictly monitored to ensure that delivered items meet optimal reliability standards. Furthermore, equipment replacement procedures are applied, to mitigate the costs of replacement operations and related down-time.

The procedures and certifications intended to reduce the risk of occurrence of industrial accidents are described in § 1.8.2, page 22 of this Registration Document.

As a matter of course, operating contracts are drafted to take into consideration the existence of operational risks where operating incidents are caused by *force majeure*. In the absence of agreement between the parties regarding the contract provisions to be implemented to that effect, any damage suffered by the Group may be covered by its insurance programme, subject to applicable excesses and cover limits, provided the damage relates to an insured event.

Malicious acts

The Group's photovoltaic plants, especially those in Italy, have been the subject of repeated thefts of copper connections, meaning that certain panels cannot operate until the stolen parts can be replaced. A tightening of security and surveillance measures and the introduction of dedicated technical measures has made such thefts more difficult, although the risk of their occurrence cannot be completely ruled out. As at the date of filing of this Registration Document, such malicious acts remain limited and would only have a marginal impact on the Group's results if they re-occurred.

Development

The projects developed by the Group, and more specifically its Thermal Biomass and Anaerobic Digestion projects, require substantial preliminary development efforts and the period between the first prospective contacts and the industrial commissioning of the installation is typically very long (development periods of between five and ten years).

This requires the Group to invest – at times very substantial amounts – very early on in the process before the construction and/or industrial commissioning of the installation, and therefore long before the installation will begin to contribute to the Group's results. If a project does not go ahead there will be no return on the investment. Moreover, the Group estimates the construction and operation costs of its installations. If the actual costs differ significantly from these estimates the Group's profitability could be adversely impacted.

Given the lengthy development periods, several other factors may cause delays in the construction or industrial commissioning of a project developed by the Group, or even cause a project to be abandoned:

- mobilisation of stakeholders against a project developed by the Group;
- delays in obtaining permits, authorisations and funding – processes that require often uncertain timeframes;
- delays in obtaining authorisation from the Energy Regulation Board prior to signature of an electricity sale agreement with EDF;
- non-delivery of an industrial installation under construction;
- industrial accidents during construction of an installation.
- delays in connecting an installation to the energy distribution network.

Delays in the industrial commissioning of an installation may adversely affect the profitability of a project. Abandoning a project will require the Group to write down the corresponding fixed asset investments and it may be required to repay any associated financing in advance.

In order to reduce these risks, the Group implements a stringent project management process to ensure it does not commit itself without sufficient visibility of major investments and can call a halt to any project that does not satisfy profitability or risk criteria deemed acceptable by the Group as early in the process as possible.

Access to financing

The Group's capacity to develop its projects, and in particular its Thermal Biomass and Anaerobic Digestion projects, depends on the availability of long-term financing in the local currency. If financing tailored to the Group's specific needs were not available, this would limit the Group's capacity to develop. The unavailability of financing could also limit the Group's capacity to refinance certain installations and would expose it to the risk of a substantial drop in profitability. Given the stability of its balance sheet and its contractual arrangements, the risk of unavailability of financing is very limited in France, although it cannot be completely ruled out, particularly in the event of a sharp deterioration in the lending markets.

Human resources

The highly technical nature of the Group's business activities means that it requires a large number of highly qualified staff and must recruit and/or train employees at/to a high level. The Group is therefore exposed to a risk that some or all of its qualified employees may be unavailable, and to a risk that it is unable to recruit employees who are sufficiently qualified in view of the highly technical nature of its business activities.

In the event several of its key staff members are unavailable or it is unable to recruit new employees who are sufficiently highly qualified in view of the highly technical nature of its business activities, the performance of the Group's installations could deteriorate.

This risk is managed by:

- the development of an active recruitment policy targeting young engineers who will receive additional in-house training;
- active measures designed to improve employee loyalty, together with the creation of long-term value through the allocation of bonus shares to employees;
- the definition and regular review, under the aegis of the Nomination and Remuneration Committee, of a succession plan for key executives, so that recruitment efforts and medium- and long-term training can be adapted as necessary.

Internal control errors

The Group has put in place risk management and internal control systems to prevent and manage the risks to which it is exposed. These are described in the report by the Chairman of the Board of Directors drawn up pursuant to Article L. 225-37 of the French Commercial Code, which can be found in section 2.6, page 73 of this Registration Document.

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1.8. Risk factors and insurance policy

However well designed and correctly applied these systems are, there can be no absolute guarantee that the Group will achieve its objectives. Any system or process has inherent limitations, which may arise from uncertainties surrounding the external operational, economic or financial environment, the use of personal judgment, or malfunctions due to technical or human failures or basic errors.

Accordingly, the Group cannot exclude the risk of a failure of its internal control system, which may expose it to the risk of fraud. Heightening employee awareness of this risk will reduce the likelihood that it occurs.

1.8.2. INDUSTRIAL AND ENVIRONMENTAL RISKS

Industrial accidents and environmental damage

The operation of electricity power plants, and in particular fuel-powered and anaerobic digestion plants, entails a risk of industrial accidents that could result in the shutdown of the production facilities for a short or longer period of time, or even the partial or total destruction of the installation. Any loss sustained by the Group should be covered by its insurance policies, less the insurance excesses, provided the event resulting in the loss was an insured event. Such an incident could also result in bodily injury, damage to property or environmental damage, which could lead to the Group being sued for compensation and/or facing criminal prosecution.

In particular, Albioma is exposed to:

- fire risks affecting all the Group's activities, given that fuels (bagasse, coal and oil-based products) and other flammable products are used and stored at its thermal power plants, that flammable methane gas is generated in Anaerobic Digestion units and that its solar facilities may be subject to voltage surges or short-circuits;
- explosion risks affecting its Thermal Biomass activities (high-pressure equipment operation and electrofilters) and Anaerobic Digestion business (although the risk of the digester exploding is limited, as it operates at atmospheric pressure);
- risks affecting the Thermal Biomass and Anaerobic Digestion businesses relating to the use of hazardous products (lime, urea, soda, hydrocarbons, etc.) and releases of toxic gases from processes (e.g. carbon monoxide or hydrogen sulphide).

The Group has put in place procedures designed to minimise the risk of such accidents occurring and to reduce their potential impact on individuals, property and the environment. Some of these procedures were introduced in order to comply with the laws and regulations that are specifically applicable to the Group's business activities, while others are a reflection of the Group's continuing efforts to improve or are the result of a concerted risk management policy put in place in collaboration with its insurers.

Following the introduction in 2011 of the production unit management system as part of the Quality, Safety and Environment (QSE) process, the Group obtained AFNOR certification for the three QSE standards (ISO 9001, ISO 14001 and ILO OSH 2001) for the Albioma Le Gol plant (certification obtained in 2011, and renewed in 2012) and the Albioma Bois-Rouge plant (certification obtained in 2013). The Terragen plants in Mauritius also obtained certification in 2013. The Group plans to apply shortly for certification for the Albioma Le Moule and Albioma Caraïbes plants, and to then extend the process to all its installations, irrespective of their location.

Regulatory framework of the Group's business activities

The Group operates its industrial facilities within a strictly regulated framework, particularly as regards the environment. All of the Group's thermal power plants and its anaerobic digestion facilities (depending on their size and the type of organic matter they process) are governed by laws and regulations applying to classified installations (ICPE). The ICPE regulations also require the rehabilitation of sites when the classified activity is discontinued and the provision of financial guarantees for certain installations (see further information in section 6.3.1.4, page 169 of the Registration Document). More generally, the Group's activities are governed by all the laws and regulations arising from the transposition into French law of the European Directives and Regulations on the protection of the environment (including in particular Directive 96/61/EC of 24 September 1996 on integrated pollution prevention and control).

Classified installations for environmental protection are supervised by the local Prefects and the DREAL (the French regional environment, planning and housing authorities), which are responsible for inspecting the installations. In the event an operator fails to comply with the applicable conditions it may face criminal action and the Prefect may also impose administrative sanctions, which can include a temporary ban on operating the installation; the Prefect can even propose its closure by means of a Council of State decree.

The Group is constantly monitoring compliance of its installations with the applicable laws and regulations. However, despite its efforts the Group cannot completely rule out the risk that it may identify a compliance issue, in which case it will do its utmost to rectify the situation as soon as possible.

Employee safety

The Group is exposed to a risk relating to the safety of individuals working on its operational sites, given its industrial activities. The staff who operate the Group's production units and its subcontractors are exposed to risks associated with everyday production and maintenance tasks and also to the risk of an industrial accident. The Group could incur civil or criminal liability in this connection. The health and safety of employees and service providers is a major concern for the Albioma group. The Group is currently rolling out a certified health and safety management system, the main features of which are described in section 6.2.4.1, page 166 of this Registration Document. A special focus has been placed on training on safety and security matters, which contributes significantly to the prevention of accidents.

1.8.3. WEATHER-RELATED RISKS

Given the nature of its business activities and the location of its sites, the Group is exposed to weather-related risks.

The Group's Solar business is more specifically exposed to a risk of a prolonged lack of hours of sunshine, which could adversely affect its results. At the development stage of any project the Group carefully considers the typical hours of sunshine in the specific area, although despite the high quality of its research it cannot eliminate the risk completely.

The Thermal Biomass and Solar business operations in the West Indies – French Guiana and the Indian Ocean (French overseas *départements* and Mauritius) regions are exposed to the risk of natural disasters (volcanic eruptions, tropical storms, hurricanes, cyclones¹, flooding and earthquakes in the West Indies). Any such event could result in the shutdown of the production facilities for a short or longer period of time, or even in the partial or total destruction of the installation. Such potential events are factored in at the time of the design, construction and operation of the production units. In most cases, the wording of the operating contracts (with the exception of the contracts for the Solar business and the Albioma Galion agreement for the sale of electricity) cover the possibility of natural disasters in a *force majeure* clause. In the event the parties fail to agree on the contractual provisions to be included, the loss sustained by the Group should be covered by its insurance policies, less the insurance excesses, provided the event resulting in the loss was an insured event and within the limits of the maximum agreed insurance cover.

1.8.4. RISKS RELATING TO EMPLOYEES

Risk of strikes

The Group is exposed to the risk of strikes and other labour disputes, particularly at its overseas Thermal Biomass plants, where most of its employees currently work. Such events, which may originate within the company or be more generalised (e.g. action affecting the entire electricity and gas industries or general industrial action), may result in the shutdown of the production facilities for short or longer periods of time.

In most cases, the wording of the operating contracts (with the exception of the Albioma Galion agreement for the sale of electricity) covers the possibility of a national strike with local repercussions in a *force majeure* clause. However, the Group's results could be adversely affected in the event of the unavailability of its installations due to a local strike.

The Group pays very close attention to the management of its human resources, and ensures in particular that a healthy dialogue is maintained with the employee representative bodies. The Group also associates its employees with the growth of the Group and the creation of value in the long term, through the allocation of bonus shares, profit-sharing agreements and incentive schemes. For further information, please refer to section 6.2.1.3., page 164 of this Registration Document.

Risk associated with employees with "IEG" status

Some of the Group's employees have "IEG" status (special status for employees who work in the electricity and gas industries (*Industries Électriques et Gazières*)), meaning that the Group is responsible for the payment of pensions and other benefits granted to employees with this status. The amounts of the resulting obligations and the provisions to be recognised in the consolidated financial statements are calculated on the basis of assumptions (including estimated mortality tables and discount rates) which may change, as may the rules applying to the payment of pensions. Such changes could generate additional charges for the Group, despite its low number of employees, which would result in additional provisions being recognised, with a negative impact on its results.

1.8.5. COUNTRY RISKS

The Group's presence in Mauritius and in Brazil (see additional information in section 3.5.1.1, page 90 of this Registration Document on the Group's first acquisition in Brazil) exposes it to specific country risks relating to the instability of exchange rates, the existence of political, financial or social unrest, high inflation rates, uncertainties concerning jurisdiction and the applicable laws, and the potential nationalisation or expropriation of private property that could adversely impact the Group's business activities. The consequences of an unfavourable trend in exchange rates or inflation in Mauritius are limited because of the indexing formulae included in the local long-term agreements for the sale of electricity.

In the French overseas *départements*, the Group is exposed to risks associated with a large-scale political or social crisis that may, in particular, result in general strikes (see further information in section 1.8.4, page 23 of this Registration Document).

Although the diversification of the Group's geographic portfolio limits the risks, the Group's results could be substantially impacted in the event of a global, long-term crisis affecting one of the areas in which it operates.

¹ When the Bejisa cyclone hit Reunion Island on 2 January 2014 the Group's installations continued to operate and to supply electricity to the network throughout the event. Production was constantly adjusted in view of the special technical conditions caused by the cyclone. Inspections identified only minor damage that did not affect the operational capacity of the thermal and photovoltaic installations, which continued to supply the required level of power as the network was gradually brought back into service.

1.8.6. CREDIT AND COUNTERPARTY RISK, RISKS RELATING TO DEPENDENCY ON THIRD PARTIES

In the course of its business activities, the Group is exposed to risks relating to dependency on third parties in a number of ways.

Credit and counterparty risk

Generally, given the stability of the Group's clients in metropolitan France, the French overseas *départements* and Mauritius, the Group's exposure to a counterparty risk relating to trade receivables is immaterial. As regards the Thermal Biomass business, the structure of the Brazilian electricity market (see further information in section 3.5.1.1, page 90 of this Registration Document on the Group's first acquisition in Brazil and section 1.3.2.2, page 9 of this Registration Document on the contractual framework of the Brazilian business activities) is such that the Group will enter into agreements for the sale of its electricity with industrial partners and will therefore be exposed to a counterparty risk. With regard to the Anaerobic Digestion business, the sale of the steam produced to industrial clients exposes the Group to a specific counterparty risk, limited to a fraction of its turnover, in that the default of a steam client would be likely to call into question the contractually defined tariffs for the purchase of electricity (moreover, this risk is limited to the cogeneration plants: the Group would not be exposed to this risk with regard to the plants that will, in the future, inject into the network). The Group carefully selects its clients in both these business sectors in order to substantially reduce the risk, although it cannot be completely eliminated.

The Group is exposed to a limited counterparty risk with regard to its suppliers and subcontractors in connection with its French overseas activities. Despite the care taken when selecting them, the inability of a supplier or subcontractor to deliver an agreed service as a result of a default or failure during the construction of an installation, at the time of maintenance or during the operational phase (delivery of fuel), could result in a delay in the industrial commissioning of the plant or the unavailability of the installation, which would have an adverse impact on the Group's results (see further information on risks associated with supplies of equipment and fuel).

With regard to its Thermal Biomass business in Brazil (see further information in section 3.5.1.1, page 90 of this Registration Document on the Group's first acquisition in Brazil), the fact that the Group does not use coal exposes the Group to a material counterparty risk with regard to its sugar-producing partner, which is the sole supplier of bagasse (see further information below on risks associated with supplies). If the sugar producer is unable to deliver the bagasse needed to operate the plant as the result of an operational failure or financial default, this could have a material adverse impact on the Group's results. The Group is careful to select reliable partners, based on both operational and financial considerations, which should substantially reduce the risk of such an occurrence, although it cannot be completely eliminated.

Risks associated with supplies

With regard to its Thermal Biomass and Anaerobic Digestion businesses, the Group is exposed to a risk of a shortage or delay in supplies of raw materials or fuels needed for its operations.

- With regard to the Thermal Biomass business, the Group is exposed more specifically to the following risks:
 - in the French overseas *départements* and Mauritius, a risk of delays and, to a lesser extent given the Group's policy of diversifying suppliers, of an interruption in the supply of coal; the Group builds up and manages a buffer stock of fuel in each of its installations to cover any delays, but it cannot guarantee that it will be able to maintain the availability of its installations in all circumstances;
 - in Brazil (see further information in section 3.5.1.1, page 90 of this Registration Document on the Group's first acquisition in Brazil), a risk of an interruption in the supply of bagasse by the sugar-producer, due to its operational failure or financial default (see further information above on the counterparty risk) or adverse weather conditions (see further information in section 1.8.3., page 23 of this Registration Document on weather-related risks); the contracts with the sugar-producers provide for penalties in the event of an interruption in the supply of bagasse, but the Group cannot guarantee that it will be able to maintain the availability of its installations in all circumstances; if necessary, the Group could obtain bagasse or other forms of biomass from other suppliers.
- With regard to the Anaerobic Digestion business, the Group is essentially exposed to the potential consequences of the poor quality of the inputs, which may contain materials such as metals or stones that could damage the production equipment. Given the collective nature of the anaerobic digestion units operated by the Group, the risk associated with biomass supplies is immaterial.

More generally, the Group is exposed to the risk of a shortage of or delay in supplies of critical parts needed for the proper operation of its installations, which are often located in scarcely industrialised areas. Such supply shortages or delays could lead to the unavailability of the Group's installations (for example, as a result of extending the technical shutdown periods for maintenance work), which would have an adverse impact on its results. The Group manages a buffer stock of critical parts with long procurement periods, in order to reduce exposure to this risk

Other risks relating to the Group's dependency on its customers and suppliers

The Group's largest supplier over the past three financial years has been a supplier of coal; the Group does not have any contractual obligation to purchase from this supplier. In 2013, invoices from this single supplier totalled €53.7 million. In 2013, the total amount invoiced by the ten largest suppliers with which the Group does not have a contractual obligation to purchase was €160.3 million.

As at the date of filing of this Registration Document, the Group sells almost all of the electricity it produces under long-term agreements entered into with EDF in France and the Central Electricity Board in Mauritius. The Group's revenue from EDF came to €347.4 million in 2013, representing 95.4% of consolidated revenue for the 2013 financial year. Revenue earned by the Group from CEB is not included in consolidated revenue, as the Mauritian power plants are consolidated using the equity method. Any difficulties in relations with these customers could have a material adverse impact on the Group's results.

1.8.7. RISKS RELATING TO RAW MATERIALS

The Group's long-term electricity sale agreements allow it to link the variable price per megawatt-hour sold to the price of the fuel used. In the case of coal, the price is linked to the price of the last known delivery as at the invoice date, although coal actually consumed may have been taken from stocks delivered previously. This system can generate discrepancies which may have a marginal impact on the results ("stock effect") if the unit price for coal varies between two deliveries. It is impossible to anticipate this impact.

More generally, a drop in the price of coal will have an adverse impact on the Group's revenue because of the indexing mechanism described above. The stock effect may impact EBITDA and net income, Group share.

1.8.8. LEGAL RISKS AND LITIGATION

1.8.8.1. Risks associated with changes to the regulatory environment

The Group operates all its business activities in a strictly regulated framework, particularly as regards the environment, employment and tax matters. Changes to the regulatory environment that apply to the Group's activities may require it to invest heavily in order to bring its installations into compliance, which could have an adverse impact on the profitability of its installations.

The clauses designed to preserve the economic balance of the long-term electricity sale agreements for its Thermal Biomass businesses in the French overseas *départements* (see further information in section 1.3.2.2, page 9 of this Registration Document) factor in the possibility of such changes to the regulatory framework. More specifically, in 2013 the Group implemented these clauses to require EDF to cover the additional costs incurred due to new circumstances (more specifically, changes to environmental, employment and tax regulations) over the last few years, affecting the operation of its Albioma Le Moule, Albioma Le Gol and Albioma Bois-Rouge plants. After approval by the Energy Regulation Board, the contractual amendments to the long-term electricity sale agreements, which provide for an adjustment of tariffs from 2013 and retroactive compensation over three years, were signed with EDF in January 2013 for Albioma Le Moule, and in August 2013 for the Reunion Island plants.

In Brazil (see further information in section 3.5.1.1, page 90 of this Registration Document on the Group's first acquisition in Brazil and in section 1.3.2.2, page 10 of this Registration Document on the contractual framework of the Brazilian business activities), the agreements signed do not include any clauses to protect the Group against unfavourable changes in the regulatory environment. More specifically, if the special tax treatment applicable in Brazil (*lucro presumido*) is withdrawn, this could have a material adverse impact on the Group's results.

In the event of any major unfavourable change in regulations, the Group cannot guarantee – despite the care taken in the management of its contracts – that its installations would remain profitable. More specifically, any unfavourable discretionary and/or retroactive change to the regulations applying to tariffs for electricity produced by photovoltaic installations (see, for example, the information included in section 1.3.2.2, page 10 of this Registration Document on the situation in Spain), to energy generated by anaerobic digestion, or to the tax regulations applying to its business activities (increasing existing taxes), could affect the Group's results for its current and future Solar and Anaerobic Digestion business activities.

1.8.8.2. Risks associated with the ownership of non-controlling interests

The Group owns a number of non-controlling interests connected with its activities (more specifically in Mauritius, where the local laws require it to participate as a non-controlling shareholder in the capital of each company tasked with carrying out a project, while at the same time retaining certain project management functions, for which it receives remuneration). In its capacity as a non-controlling shareholder in these companies, the Group does not exercise full legal or economic control over said companies. Any disagreement with other shareholders could affect the Group's activities, results, ability to achieve its objectives, or right to receive dividends. The Group considers this risk to be immaterial as at the date of filing of this Registration Document.

1.8.8.3. Litigation risk

Like any other company, the Group's companies may be involved in administrative, tax, legal or arbitration proceedings in the course of their activities. It is assumed that the main situations in which such proceedings could be initiated are:

- possible failure to meet contractual commitments;
- possible non-compliance with legislative or regulatory provisions, particularly those applicable to classified installations for environmental protection (ICPE);
- possible breach of conditions accompanying the grant of tax benefits;
- questioning of tax benefits granted to investments made overseas;
- possible lodging of appeals by third parties against permits or authorisations obtained;
- possible occurrence at the Group's units of incidents or accidents resulting in bodily injury and/or damage to property and giving rise to claims for compensation.

These risks are managed through:

- implementation by all Group entities of a policy of strict compliance with legislative and regulatory standards that apply to them, and the regular monitoring of changes;
- the security of the Group's contractual documentation.

Main disputes (as at the date of filing of this Registration Document)

- The Group was in dispute with a supplier of photovoltaic panels in Spain and the Reunion Island, mainly concerning non-compliance with essential deadlines and its detrimental consequences as well as problems in terms of conformity affecting these panels. This dispute was ended in 2013 by the signature of a settlement agreement.
- The Group's thermal installations experienced significant labour disputes during 2011, mainly concerning the conditions for application of Article 14-6 of the status of the Electricity and Gas Industries (*Industries Électriques et Gazières – IEG*). Employees were demanding entitlement to the compensation packages applicable to State employees working in the French overseas territories. In 2012, this dispute on the conditions for application of the IEG status was brought before the courts in Guadeloupe and Reunion by the national federation of mining and energy staff (*Fédération Nationale des Personnels des Mines et de l'Énergie – FNME-CGT*) for each of the Group's thermal power plants, with the trade union demanding a 40% basic wage increase for its members. Similar cases have been initiated by the trade unions representing employees of other electricity producers in the French overseas *départements*, including EDF.
- In 2012, Albioma Bois-Rouge (formerly Compagnie Thermique de Bois-Rouge) initiated proceedings against Alstom Power before the Paris court of first instance seeking compensation for losses incurred in connection with significant damage to the steam turbine acquired from this supplier.

- Albioma Bois-Rouge (formerly Compagnie Thermique de Bois-Rouge) was joined to an action brought by Sucrière de la Réunion against its insurer, QBE Insurance Europe Ltd, which was refusing to pay out on a claim by its client for operating losses of approximately €1 million. These operating losses were allegedly the result of the shutdown of the Bois-Rouge plant during the 2009 sugar campaign. Sucrière de La Réunion won the case before the appeal court in 2012, without any consequences for Albioma Bois-Rouge. In 2013 QBE Insurance Europe Ltd filed a new procedural suit before the lower courts.

There are no other governmental, legal or arbitration proceedings (including any stayed proceedings or potential proceedings of which the Company is aware) that are likely to have, or have had, any material effect on the Group's financial position or profitability in 2013 or since the end of the year.

1.8.9. LIQUIDITY RISK

The Group's Financial Department centralises all its subsidiaries' financing needs and negotiations with financial institutions in order to better control financing terms and conditions. Any transactions carried out directly by subsidiaries are closely monitored. The Financial Department aims to maintain sufficient liquidity at all times by efficiently managing the Group's cash and cash equivalents, in particular by putting in place secure financing arrangements in terms of their duration and legal terms and conditions. More specifically, it arranges confirmed credit lines to guarantee optimal flexibility in Group financing. Further information is provided in Note 23 to the consolidated financial statements for the 2013 financial year, in chapter 4, page 121 of this Registration Document.

The Company has conducted a specific review of its liquidity risk and feels it is in a position to meet its future payment commitments.

At 31 December 2013, the breakdown of the liquidity position compared with that of previous years was as follows:

<i>In thousands of euros</i>	31/12/2013	31/12/2012	31/12/2011
Other current financial assets	66,870	61,194	48,299
Bank accounts	38,192	18,193	26,759
Unutilised credit lines	43,500	15,000	–
Liquidity position	148,562	94,387	75,058

1.8.10. MARKET RISKS**1.8.10.1. Risk of adverse changes in electricity prices**

With regard to its business activities in Metropolitan France, the French overseas *départements* and Mauritius, the Group is not exposed to any unfavourable changes in market prices for electricity, given the contractual framework in place (see further information in section 1.3.2.2, page 9 of this Registration Document).

The contractual framework for the sale of electricity in Brazil (see further information in section 3.5.1.1, page 90 of this Registration Document on the Group's first acquisition in Brazil and section 1.3.2.2, page 10 of this Registration Document on the contractual framework of the Brazilian business activities) is such that the Group is required, when it operates installations that do not fall within the scope of the regulated electricity market, to sell the electricity it produces to industrial clients under contracts entered into for between one and five years, with surplus production being sold on the spot market, and therefore at prices that may be unfavourable. An unfavourable change in electricity prices could therefore have a material impact on the Group's results in Brazil.

1.8.10.2. Interest rate risk

The Group's interest-rate management policy is coordinated, supervised and managed centrally, with the aim of protecting future cash flows and reducing volatility of financial expenses. As at 31 December 2013, the Group's borrowings were split as follows:

<i>In thousands of euros</i>	31/12/2013					31/12/2012				
	Bank overdrafts and accrued interest	Project debt	Payables relating to call options on non-Group interests	Corporate debt	Total	Bank overdrafts and accrued interest	Project debt	Payables relating to call options on non-Group interests	Corporate debt	Total
Borrowings from credit institutions										
Fixed rates	–	67,242	3,055	–	70,297	–	74,911	3,055	–	77,966
Variable rates	432	224,479	–	52,918	277,829	1,551	138,164	–	89,000	228,715
Sub-total	432	291,721	3,055	52,918	348,126	1,551	213,075	3,055	89,000	306,681
Finance lease payables										
Fixed rate	–	31,045	–	–	31,045	–	43,998	–	–	43,998
Variable rate	–	144,449	–	–	144,449	–	232,075	–	–	232,075
Sub-total	–	175,494	–	–	175,494	–	276,073	–	–	276,073
Total borrowings	432	467,215	3,055	52,918	523,620	1,551	489,148	3,055	89,000	582,754

Financial debt included variable-rate debt of €422.3 million in 2013, as opposed to €460.8 million in 2012.

For tranche 3 of the Albioma Bois-Rouge plant, for which the finance lease is not at a fixed rate, changes in the interest rates on the financing facility are passed on to customers in accordance with the contractual provisions. For the other plants, with the exception of Albioma Le Gol tranches 1 and 2, which are financed at a fixed rate, variations in rates are not passed on to customers. In these cases, the companies carrying the financing agreement have put in place appropriate hedges in the form of swaps, i.e. to swap variable interest rates against fixed interest rates.

The interest rate hedges are described in Note 24 to the consolidated financial statements for the 2013 financial year, in chapter 4, page 123 of this Registration Document.

Sensitivity of financial assets and liabilities to variations in interest rates is described in Note 32.1 to the consolidated financial statements for the 2013 financial year, in chapter 4, page 129 of this Registration Document.

1.8.10.3. Currency risk

The Group publishes its consolidated financial statements in euros, and in 2013 100% of its revenue and operating income was recognised in euros.

The Group's transactions are performed mainly in euros, with the exception of:

- purchases of coal by the subsidiaries, which are denominated in US dollars. Sale prices charged to customers specifically take into account movements in the exchange rate;
- the activity of companies in which Albioma holds non-controlling interests in Mauritius and whose financial statements are prepared in Mauritius rupees.

Following the development of its Thermal Biomass business in Brazil (see further information in section 3.5.1.1, page 90 of this Registration Document on the Group's first acquisition in Brazil), the Group is now exposed to a euro/Brazilian real currency risk that may affect its results when the financial statements of its Brazilian subsidiaries are converted into euros, and this will make it more difficult to compare performance from one year to the next. For example, if the euro appreciates against the real, this will reduce the contribution to consolidated results made by subsidiaries that prepare their financial statements in the Brazilian currency. As regards long-term assets, the Group has put in place a hedging policy aimed at reducing currency risks associated with financing in the Brazilian currency.

1.8. Risk factors and insurance policy

The currency risk relating to the Mauritian subsidiaries arises mainly from:

- the impact of the movement in the exchange rate on the overall amounts recognised using equity accounting (recognised directly in equity);
- the revaluation of borrowings, denominated in certain cases in euros;
- the partial indexation to the euro of contracts for the sale of electricity.

Also, the Group has recognised embedded currency derivatives (euro/Mauritius rupee) relating to contracts for the sale of electricity. The Group does not use any other financial instruments for currency hedging purposes.

As at 31 December 2013, currency risks can be analysed as follows:

<i>In thousands of euros</i>	Value in euros of assets in Mauritius rupees		
	31/12/2013	31/12/2012	31/12/2011
Assets	23,560	24,104	23,099
Liabilities	–	(539)	(609)
Net position before hedging	23,560	23,565	22,490
Off-balance sheet position	–	–	–
Net position after hedging	23,560	23,565	22,460

These net positions are subject to a hedge of a net investment in a foreign operation as described in Note 16 to the financial statements for the 2013 financial year, in chapter 4, page 116 of this Registration Document. As such, a movement in the EUR/MUR exchange rate would have no material impact on shareholders' equity.

1.8.10.4. Equity risk

Equity risk is limited due to the nature of the Group's cash investments (money market mutual funds benefitting from good ratings and subscribed with recognised institutions). As at the date of filing of this Registration Document, there are no treasury shares (see further information in section 7.3.6.2, page 189 of this Registration Document on treasury shares held under the liquidity contract).

1.8.10.5. Risks relating to significant off-balance sheets commitments

The Group has entered into off-balance sheets commitments in connection with its day-to-day operations. These commitments are described in Note 33 to the consolidated financial statements for the 2013 financial year, in chapter 4, page 130 of this Registration Document.

1.8.11. INSURANCE

1.8.11.1. Insurance policy

The Group has taken out insurance cover with well-known firms for the risks of the various entities it comprises, including:

- "Construction" policies put in place for new investments;
- "Damages" policies, the major types of these being: "All risks except" and "Consecutive damages and operating losses following certain events";

- "Civil Liability" policies, covering both general and professional liability, "Civil liability for environmental damage" and "Civil liability of corporate officers";
- motor car and personal accident insurance.

However, the Group cannot guarantee that these policies are or will be sufficient to cover the losses that might arise from a major operational stoppage at its power plants, to repair or replace the damaged sites or to compensate for the consequences of any action by a third party.

The Group's financial position and results could be materially affected if it were to suffer a serious incident that is either uninsured or not sufficiently insured, or which significantly exceeds the coverage limits imposed by the insurance firms, or if it was subject to a delay in the settlement of its insurance claims.

Furthermore, the Group's insurance policies are subject to annual revisions by its insurers. There is no guarantee that the level of premiums will not increase or that insurance rates will not become volatile. A significant increase in insurance premiums for any of the Group's business activities could have an adverse impact on its results.

The total amount of premiums paid by the Group in respect of its various insurance policies came to €3.8 million in 2013, as compared to €3.7 million in 2012¹.

1. The total amount of premiums paid in 2012 as published in the 2012 Registration Document did not include insurance premiums for the Anaerobic Digestion plants, as ramping-up had not yet commenced.

1.8.11.2. Summary of main policies

Damage and operating losses policies

Thermal Biomass

As at the date of filing of this Registration Document, the Group's thermal power plants (excluding Mauritius) were covered by the following insurance policies:

- First-line policy with an insured amount of €959 million for direct damage and €169 million for operating losses, with a variable excess depending on the plant and the type of loss or damage (minimum of between €400,000 and €1 million for direct damage, and between €400,000 and €750,000 for operating losses), with an aggregate pay-out limit per plant (€100 million) or a specific limit per event (i.e., storms, hurricanes and machine breakage);
- Second-line policy with an insured amount of €901 million for direct damage and €159 million for operating losses, with an excess of €100 million and an aggregate pay-out limit per plant of €300 million.

Solar

As at the date of filing of this Registration Document, the Group's photovoltaic installations were covered by several insurance policies for a total amount of €170 million for direct damage and €49 million for operating losses.

Anaerobic Digestion

As at the date of filing of this Registration Document, the Group's Anaerobic Digestion installations were covered by comprehensive construction/assembly-testing policies and are also covered against anticipated operating losses, comprehensive operating risks and consecutive operating losses, which are taken out by each plant for an amount corresponding to the replacement value of each anaerobic digestion unit or the operating losses over a 12-month period (currently, €23.4 million for direct damage and €4.2 million for anticipated or established operating losses), with a variable excess based on the plants and the type of damage or loss.

Operational civil liability

Thermal Biomass and Solar

As at the date of filing of this Registration Document, the Group's Solar and Thermal Biomass activities were covered by operational civil liability policies for €35 million per claim, and also have civil liability coverage after delivery/professional civil liability coverage of €6 million per claim and per annum.

Anaerobic Digestion

As at the date of filing of this Registration Document, the Group's Anaerobic Digestion installations were covered by an operational civil liability policy per plant for between €3 million and €7.5 million per claim, depending on the scale of the project, and also have civil liability coverage after delivery/professional civil liability coverage per plant of between €1.5 million and €2 million per claim and per annum, depending on the size of the unit.

Civil liability for environmental damage

As at the date of filing of this Registration Document, the Thermal Biomass activities were insured for €30 million over three years (€20 million per claim) against environmental damage (including depollution costs, which are covered for up to €5 million).

The Anaerobic Digestion business is covered for €5 million per plant per annum for environmental damage (including site depollution costs for up to between €150,000 and €500,000, depending on the size of the plant).

Civil liability of corporate officers

As at the date of filing of this Registration Document, the managers of Albioma and its subsidiaries were covered for an amount of €50 million per annum (two lines of €25 million each) against the risk that their civil liability is incurred.

In 2013, Albioma recovered energy from 1.3 million tonnes of bagasse at its base-load thermal power plants. Enough to fill the Stade de France four times over! Today, 90% of the 450 million tonnes of bagasse produced each year worldwide are not subject to energy recovery.

Bagasse conveyorat of Albioma Le Moule, Guadeloupe

2 • CORPORATE GOVERNANCE

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2 • CORPORATE GOVERNANCE

2.1. PRINCIPLES

2.1. Principles

2.1.1. COMPLIANCE WITH THE AFEP-MEDEF CORPORATE GOVERNANCE CODE FOR LISTED COMPANIES

Pursuant to the decisions of the Board of Directors meeting of 19 December 2008, the Company voluntarily complies with the Corporate Governance Code for Listed Companies published by AFEP and MEDEF (the "AFEP-MEDEF Code"), last updated in June 2013.

The Company attaches paramount importance to the effectiveness of the Group's governance and ensures application of the best practices defined by the AFEP-MEDEF Code, which is available on the internet at the following address:

<http://www.medef.com/>

In accordance with the recommendations of the French securities regulator (*Autorité des Marchés Financiers*) and Article L. 225-37 of the French Commercial Code (*Code de commerce*), the provisions of the AFEP-MEDEF Code that the Company has not applied are summarised in a table (section 2.5, page 72 of this Registration Document) setting out the reasons for this choice.

2.1.2. REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS PREPARED PURSUANT TO ARTICLE L. 225-37 OF THE FRENCH COMMERCIAL CODE

The following developments include the Report of the Chairman of the Board of Directors, prepared pursuant to Article L. 225-37 of the French Commercial Code, on the composition of the Board of Directors and conditions for the preparation and organisation of its work (comprising sections 2.1, 2.2 and 2.5, on pages 32, 34 and 72 of this Registration Document), and on the internal control and risk management procedures implemented by the Company (section 2.6, page 73 of this Registration Document)¹.

In accordance with the provisions of this same article, it is noted that the information referred to in Article L. 225-100-3 of the French Commercial Code is shown in section 7.5, on page 197 of this Registration Document.

The provisions of this Registration Document constituting the Report of the Chairman of the Board of Directors covered by Article L. 225-37 of the French Commercial Code were specifically approved by the Board of Directors at its meeting of 4 March 2014, in accordance with the provisions of said article.

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

2.2.1. COMPOSITION OF THE BOARD OF DIRECTORS AT 31 DECEMBER 2013

The table below summarises the composition of the Board of Directors at 31 December 2013. Detailed information on the corporate officers in office on this date and corporate officers whose terms of office expired during the 2013 financial year without having been renewed is provided in section 2.2.3, on page 37 of this Registration Document. Information is also provided in section 2.2.2.2, on page 34 of this Registration Document on the terms of office that will expire at the end of the General Meeting to be held on 27 May 2014 to approve the financial statements for the 2013 financial year.

At 31 December 2013, the Company's Board of Directors comprised nine members:

- the Chairman and Chief Executive Officer,
- five independent Directors (including the Vice-Chairman of the Board of Directors),
- and three Directors from the Apax Partners group (including Financière Hélios, the Company's main shareholder, which, together with funds managed by Apax Partners to which it is related, held 42.57% of the share capital at 31 December 2013)².

On this date, the members of the Board of Directors did not include:

- any Directors appointed by the employees (Article L. 225-27 of the French Commercial Code)³;
- any Directors representing the employee shareholders (Article L. 225-23 of the French Commercial Code), given that the percentage of the share capital held by employees of the Company or of any related companies at 31 December 2013 was 3% (see the information provided in section 7.3.4, on page 189 of this Registration Document).

The works council representative is systematically given notice of Board meetings and may attend in a non-voting capacity.

1. Article L. 225-37 of the French Commercial Code [free translation from the French text] "[...] The chairman of the Board of Directors gives an account of, in a report appended to the report referred to in Articles L. 225-100, L. 225-102, L. 225-102-1 and L. 233-26, the composition of the Board and application of the principle of balanced representation of men and women on the Board, the conditions for the preparation and organisation of the Board's work, as well as the internal control and risk management procedures implemented by the company, by detailing in particular those procedures that relate to the preparation and treatment of accounting and financial information for the parent company financial statements and, where applicable, for the consolidated financial statements. Without prejudice to the provisions of Article L. 225-56, this report also indicates any limitations that the Board of Directors places on the chief executive officer's powers.

When a company voluntarily complies with a corporate governance code drawn up by an organisation that represents companies, the report covered by this article also stipulates the provisions that have not been adopted and the reasons for this. The place where this code can be consulted is also stipulated. If a company does not refer to such a corporate governance code, this report indicates the rules applied in addition to the requirements stipulated by the law and explains the reasons behind the company's decision not to apply any provisions of this corporate governance code.

The report stipulated in this article also stipulates the specific procedures relating to participation of shareholders in general meetings and refers to the provisions of the memorandum and articles of Association that set out these procedures.

This report also presents the principles and rules approved by the Board of Directors for determining the remuneration and benefits-in-kind granted to corporate officers and it refers to disclosure of the information stipulated in Article L. 225-100-3.

The report stipulated in this article is approved by the Board of Directors and is made public."

2. A breakdown of the Company's share capital is provided in section 7.3, on page 188 of this Registration Document.

3. Furthermore, given its size, the Company is not subject to the new provisions of Article L. 225-27-1 of the French Commercial Code, arising from Law no. 2013-504 of 14 June 2013 on job security and is therefore not required to take, in 2014, any measures that would result in the appointment of salaried Directors.

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

Full name	Offices held within the Company ¹	First appointment date	Last renewal date	Expiry date ⁷
Jacques Pétry	Director	29/10/2011 ²	30/05/2013	2017 GM
	Chairman of the Board of Directors	29/10/2011	30/05/2013	2017 GM
	Chief Executive Officer	29/10/2011	30/05/2013	2017 GM
Michel Bleitrach	Independent Director	17/05/2006	18/05/2010	2014 GM
	Vice-Chairman of the Board of Directors	21/10/2011	n/a	2014 GM
	Chairman of CESO	18/01/2012	30/05/2013	2014 GM
	Member of CACR	09/06/2009	30/05/2013	2014 GM
Jean-Carlos Angulo	Independent Director	30/05/2013	n/a	2017 GM
	Member of CESO	30/05/2013	n/a	2017 GM
	Member of CRSE	30/05/2013	n/a	2017 GM
Patrick de Giovanni	Director	12/07/2005 ³	25/05/2011	2015 GM
	Member of CACR	18/01/2012	30/05/2013	2015 GM
	Member of CRSE	30/05/2013	n/a	2015 GM
Financière Hélios	Director	12/07/2005 ⁴	30/05/2013	2017 GM
	Member of CESO	19/12/2008	30/05/2013	2017 GM
	Member of CNR	30/05/2013	n/a	2017 GM
Edgard Misrahi	Permanent representative of Financière Hélios in its capacity as Director	21/10/2011	n/a	n/a
Myriam Maestroni	Independent director	25/01/2012 ⁵	n/a	2015 GM
	Chairwoman of CRSE	24/09/2012	30/05/2013	2015 GM
Michèle Remillieux	Independent Director	30/05/2013	n/a	2017 GM
	Chairwoman of CNR	30/05/2013	n/a	2017 GM
Maurice Tchenio	Director	21/10/2011 ⁶	n/a	2015 GM
Daniel Valot	Independent Director	30/05/2013	n/a	2017 GM
	Chairman of CACR	30/05/2013	n/a	2017 GM
	Member of CNR	30/05/2013	n/a	2017 GM

1. CESO: *Commitments and Monitoring Committee* (Comité des Engagements et de Suivi des Opérations); CACR: *Audit, Accounts and Risks Committee* (Comité d'Audit, des Comptes et des Risques); CNR: *Nomination and Remuneration Committee* (Comité des Nominations et Rémunérations); CRSE: *Environmental and Social Responsibility Committee* (Comité de la Responsabilité Sociale et Environnementale).

2. Provisional appointment by the Board of Directors to replace Nordine Hachemi, for the remainder of the latter's term of office as Director, ratified by the shareholders at the General Meeting of 14 March 2012.

3. Provisional appointment by the Board of Directors to replace Jérôme Girard, for the remainder of the latter's term of office as Director, ratified by the shareholders at the General Meeting of 17 May 2006.

4. Provisional appointment by the Board of Directors to replace Bruno Turpin, for the remainder of the latter's term of office as Director, ratified by the shareholders at the General Meeting of 17 May 2006.

5. Provisional appointment by the Board of Directors of Myriam Maestroni to her seat for the remaining term of office. Her seat as Director (first appointment on 25 May 2011) had been left vacant following her automatic resignation on 25 November 2011 because she did not hold the minimum number of shares required by the Company's Memorandum and Articles of Association.

6. Provisional appointment by the Board of Directors to replace Edgard Misrahi, for the remainder of the latter's term of office as Director, ratified by the shareholders at the General Meeting of 14 March 2012.

7. 2014 GM: term of office expiring at the end of the General Meeting to be held in 2014 with a view to approving the financial statements for the 2013 financial year; 2015 GM: term of office expiring at the end of the General Meeting to be held in 2015 with a view to approving the financial statements for the 2014 financial year; 2017 GM: term of office expiring at the end of the General Meeting to be held in 2017 with a view to approving the financial statements for the 2016 financial year.

2 • CORPORATE GOVERNANCE

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

2.2.2. SUNDRY CONSIDERATIONS RELATING TO THE ORGANISATION OF GENERAL MANAGEMENT, THE COMPOSITION OF THE BOARD OF DIRECTORS AND THE STATUS OF THE DIRECTORS

2.2.2.1. Considerations relating to the organisation of General Management

Since 17 May 2006, the Chairman of the Board of Directors is responsible for the Company's General Management. This principle of combining the functions of Chairman of the Board of Directors and Chief Executive Officer was recently confirmed by the Board of Directors at its meeting of 30 May 2013, which followed the holding of the General Meeting of the same day, at which it renewed the terms of office of Jacques Pétry as Chief Executive Officer and Chairman of the Board of Directors.

On this occasion, the Board of Directors confirmed the reasons that had earlier led to it adopting this method of exercising General Management, deeming that it was best suited to the Group's desired organisation and *modus operandi*, and the most likely to:

- make the most of the Chairman's knowledge and business experience;
- foster a close relationship between senior managers and the Company's shareholders, and optimise the responsiveness of the Board of Directors;
- optimise coordination within the Group.

Pursuant to the Company's Memorandum and Articles of Association, the Chief Executive Officer must be aged under 70. In the event he reaches this age limit when in office, the Chief Executive Officer shall be automatically deemed to have resigned and a new Chief Executive Officer shall be appointed.

The Chief Executive Officer shall be vested with the broadest powers to act in all circumstances in the name of the Company. He shall exercise these powers within the limits of the Company's objects and subject to any powers expressly granted by law to the shareholders and the Board of Directors. He shall represent the Company in its dealings with third parties; the Company shall be bound by any actions or decisions of the Chief Executive Officer that do not fall within the scope of the Company's objects, unless the Company can prove that the third party was aware that the action or decision in question fell outside the scope of the objects, or could not have been unaware thereof in view of the circumstances. However, mere publication of the Memorandum and Articles of Association is not sufficient proof thereof.

Over and above any powers expressly granted by law to General Meetings and the Board of Directors, the powers of the Company's Chief Executive Officer are restricted in two ways.

- Barring special authorisations from the Board of Directors, the Chairman and Chief Executive Officer was, during 2013, authorised to furnish sureties, pledges and guarantees under the following conditions:
 - to any tax and customs authorities, for an unlimited amount,
 - in connection with the purchase of fuel by any Group subsidiary, provided that the total amounts effectively guaranteed at any point in time do not exceed €20 million, or its equivalent value in any other currency;
 - for any other reason, and to any other beneficiary, provided that the total amounts effectively guaranteed at any point in time do not exceed €30 million, or its equivalent value in any other currency, and also provided that such sureties, pledges and guarantees are furnished in connection with commitments entered into by a Group subsidiary.

At the end of the 2013 financial year, the Board of Directors renewed this authorisation for the 2014 financial year on the same terms.

- Pursuant to the Board of Directors' Internal Regulations, the Board of Directors must give prior authorisation for the investments required by industrial projects or planned acquisitions during the year and/or their funding.

2.2.2.2. Considerations relating to the composition of the Board of Directors and the status of the Directors

Principles applicable to the appointment of Directors

The Board of Directors is composed of three to twelve members, appointed by the shareholders at a General Meeting. Their term of office lasts four years and expires at the end of the General Meeting called to approve the financial statements of the year just ended, held in the year in which said term of office expires.

As an exception, in the event of a vacancy following the death or resignation of a Director, the Board of Directors may, between two General Meetings, appoint Directors on a temporary basis, for the remainder of the term of office of the Director who has died or resigned. In such an event, this temporary appointment is subject to ratification by the shareholders at a General Meeting, although the lack of ratification does not invalidate the deliberations of the Board of Directors adopted in the presence of the Director appointed temporarily. However, this process cannot be used when the death or resignation of a Director results in the number of Directors falling to less than three.

No more than one third of the total number of Directors in office may be aged over 70. Whenever this maximum is exceeded, the oldest Director who has not held or does not hold office as Chairman of the Board of Directors, or who has not held office as Chief Executive Officer of the Company, shall stand down at the next General Meeting, unless the aforementioned proportion has been re-established as a result of a decision of the Board of Directors.

At 31 December 2013, only one Director was aged over 70. The average age of the members of the Board of Directors was 64.

Pursuant to the Memorandum and Articles of Association, the Directors must hold at least four hundred (400) Company shares in registered form throughout their term of office. In the event a Director does not hold the aforementioned number of shares at the time of his appointment or ceases to hold the aforementioned number at any time during his term of office, he/she shall be deemed to have automatically resigned unless he/she remedies the situation within a period of six (6) months. At 31 December 2013, all the Directors held the minimum number of shares required by the Memorandum and Articles of Association; all such shares are registered shares, held directly or via an intermediary.

Independence of Directors and management of known and potential conflicts of interest – Declarations made pursuant to Appendix 1 of European Commission Regulation no. 809/2004 of 29 April 2004

Independence of Directors within the meaning of the AFEP-MEDEF Code

At least once a year, the Board of Directors reviews the position of each of its members with regard to the independence criteria set out by the AFEP-MEDEF Code. Pursuant to this Code and in accordance with the Board of Directors' Internal Regulations, a Director is considered to be independent if he/she has no relationship of any kind whatsoever with the Company, its Group or its Management that could risk colouring the Director's judgement.

The criteria used and examined by the Board of Directors are those set out in the AFEP-MEDEF Code. As such, to be considered as an independent Director, the Director must not:

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

- be an employee or corporate officer of the Company, an employee or director of its parent company or of a company within its consolidation scope and not have been such during the previous five years;
- be an employee or corporate officer of a company in which the Company directly or indirectly holds a directorship or in which an employee appointed as such or a corporate officer of the Company (currently or who has held such a position within the previous five years) holds a directorship;
- be a customer, supplier, investment bank or commercial bank:
 - that is significant for the Company or its Group, or
 - for which the Company or its Group represents a material proportion of its business;
- have close family ties with a corporate officer;
- have been an auditor of the Company at any time in the past five years;
- have been a Director of the Company for more than twelve years.

Furthermore, the Board of Directors examines the links between the Directors and any significant shareholder in the Company.

Following the review conducted by the Board of Directors at its meeting of 30 May 2013 held following the General Meeting of the same day, the following were considered to fall in the category of independent Directors:

- Jean-Carlos Angulo;
- Michel Bleitrach;
- Myriam Maestroni;
- Michèle Remillieux;
- Daniel Valot.

The Board of Directors thus found that the following did not qualify as independent Directors:

- Jacques Pétry, given his roles as Chairman and Chief Executive Officer;
- Patrick de Giovanni and Maurice Tchenio, given their roles exercised within the Apax Partners group, the Company's main shareholder;
- Financière Hélios (represented in that capacity as Director by Edgard Misrahi), given its status as the Company's main shareholder, along with funds managed by the Apax Partners group.

These conclusions were confirmed during the annual review of the position of the Directors for the 2013 financial year at the Board of Directors meeting of 4 March 2014. As such, at 31 December 2013 and on the date of filing of this Registration Document, independent Directors accounted for 55.6% of the members of the Board of Directors (i.e. five Directors out of nine), compared with 44.4% (i.e. four Directors out of nine) at 31 December 2012, and was therefore significantly higher than the minimum of one third recommended by the AFEP-MEDEF Code.

Management of conflicts of interest

Over and above the considerations relating to identification of independent Directors and their proportion on the Board of Directors, the Board of Directors regularly checks that all the Directors are in a position to freely exercise their judgement at all times.

The position of Directors with regard to potential conflicts of interest between their duties with regard to the Company and their private interests or other duties is thus examined by the Board of Directors alongside the review of their independence. Each Director is thus requested to:

- formally confirm his/her undertaking to inform the Board of Directors, in accordance with the provisions of the Directors' Charter appended to the Board of Directors' Internal Regulations, of any situation involving a conflict of interest, even potential, and, in such a case, to abstain from participating in debates and voting on the corresponding deliberation;
- where applicable, formally inform the Board of Directors of the existence of such situations involving a known or potential conflict of interest.

The review conducted by the Board of Directors at its meeting of 30 May 2013 held following the General Meeting of the same day did not reveal, based on the declarations made by each Director, the existence of any situation involving a conflict of interest.

These findings were confirmed at the time of the annual review of the position of the Directors for the 2013 financial year at the Board of Directors meeting of 4 March 2014.

Multiple offices

On the recommendations of the Nomination and Remuneration Committee, the Board of Directors, at its meeting of 4 March 2014, decided to amend the Directors' Charter, appended to the Board of Directors' Internal Regulations (the full text of which is reproduced in section 2.2.4.3, on page 55 of this Registration Document), as necessary to comply with the AFEP-MEDEF Code's recommendations on the number of offices held by corporate officers and Directors (paragraph 19 of the AFEP-MEDEF Code). On the date of filing of this Registration Document, the rules applicable to Directors of Albioma are thus as follows:

- the Chairman and Chief Executive Officer cannot hold more than two other terms of office as Directors in non-Group listed companies, including foreign companies;
- the Chairman and Chief Executive Officer must submit for prior authorisation by the Board of Directors acceptance of any term of office in any non-Group listed company;
- Directors other than the Chairman and Chief Executive Officer cannot hold more than four other terms of office in non-Group listed companies, including foreign companies;
- the Directors must keep the Board of Directors informed of all significant terms of office and roles, including their roles as members of specialised Committees of a Board of Directors, that they hold in any non-Group company, whether listed or unlisted.

On the date of filing of this Registration Document, all Directors of the Company, including its Chairman and Chief Executive Officer, complied with these obligations. The significant terms of office and roles held by corporate officers during the year are set out in section 2.2.3, on page 37 of this Registration Document.

2 • CORPORATE GOVERNANCE

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

Declarations made pursuant to Appendix 1 of European Commission Regulation no. 809/2004 of 29 April 2004

During the annual review of the position of the Directors for the 2013 financial year, undertaken at the Board of Directors meeting of 4 March 2014, each Director formally confirmed that he/she:

- is not linked to any other members of the Board of Directors via any family ties;
- has not been convicted of fraud during the last five years;
- has not been associated with any insolvency, receivership or liquidation as a member of an administrative, management or supervisory body or as a senior manager;
- has not been accused and/or publicly and officially sanctioned by any statutory or regulatory authorities (including appointed professional bodies);
- has not been prevented by a court, during the last five years, from acting as a member of an administrative, management or supervisory body of a listed company (or from offering financial securities to the public) or from taking part in managing or running the business of such a company.

Balanced representation of men and women on the Board of Directors

At 31 December 2013, two women sat on the Board of Directors out of a total of nine Directors, representing 22.2% (compared with 11.1% at 31 December 2012, when the Board included one woman out of a total of nine Directors).

At this date, the proportion of Directors of the same gender was therefore consistent with the dictates of Article L. 225-18-1 of the French Commercial Code, arising from Law no. 2011-103 of 27 January 2011 on the balanced representation of men and women on Boards of Directors and Supervisory Boards and professional equality.

In accordance with the conclusions of the formalised assessment of the work of the Board of Directors conducted in 2012 with the help of an external consultant, the Board of Directors, with the support of the Nomination and Remuneration Committee, will take the necessary action to ensure that its composition meets the objectives set by the aforementioned provisions by no later than the date of the General Meeting to be held in 2017 with a view to approving the financial statements for the 2016 financial year (minimum proportion of 40% of Directors of each gender or, when the Board of Directors consists of no more than eight members, a maximum difference of two between the number of female Directors and the number of male Directors).

Staggering of the terms of office of the Directors

In accordance with the recommendations of the AFEP-MEDEF Code, the Board of Directors, supported by the Nomination and Remuneration Committee, ensures that the Directors' terms of office are staggered so as to avoid a mass renewal and to foster harmonious renewal.

The natural staggering of the terms of office of the Directors in office at 31 December 2013, whose renewal was spread over three financial years (2014, 2015 and 2017, see section 2.2.1, on page 32 of this Registration Document), does not require the implementation of any specific provisions in this regard.

Renewal of terms of office and changes made to the composition of the Board of Directors during the 2013 financial year

As the terms of office as Directors of Xavier Lencou-Barème, Guy Rico and Jean Stern expired at the end of the General Meeting of 30 May 2013 without any of them seeking renewal, in 2012 the Board of Directors tasked the Nomination and Remuneration Committee with organising a process for the identification and selection of applications, whose key aims were, in accordance with the conclusions of the formalised assessment of the work of the Board of Directors conducted in 2012 with the help of an external consultant, to:

- introduce new skills within the Board of Directors, particularly in connection with the Company's international development priorities and its strategy of highly efficient energy production from all forms of biomass;
- increase female representation on the Board of Directors pursuant to Article L. 225-18-1 of the French Commercial Code;
- increase the number of Board members likely to qualify as independent Directors.

In particular, the French Institute of Directors (*Institut Français des Administrateurs – IFA*) was approached. As a result of the measures taken, more than 200 high-quality applications were received, enabling the Board of Directors to put forward to the General Meeting of 30 May 2013, on the recommendations of the Nomination and Remuneration Committee, the names of three candidates for appointment to the roles of Director (Jean-Carlos Angulo, Michèle Remillieux and Daniel Valot), whose skills and experience it considered as being the most likely to enhance its work.

In this connection, the General Meeting of 30 May 2013 acknowledged expiry of the terms of office as Director of Xavier Lencou-Barème, Guy Rico and Jean Stern, who did not seek renewal, and appointed as Director Jean-Carlos Angulo, Michèle Remillieux and Daniel Valot, for a period of four years to expire at the end of the General Meeting to be held in 2017 with a view to approving the financial statements for the 2016 financial year.

The same General Meeting also renewed the appointments as Director of Jacques Pétry and Financière Hélios, which expired at the end of said meeting, for a period of four years to expire at the end of the General Meeting to be held in 2017 with a view to approving the financial statements for the 2016 financial year.

After the General Meeting of 30 May 2013, the Board of Directors also:

- renewed the terms of office as Chairman of the Board of Directors and Chief Executive Officer of Jacques Pétry, for the period of his term of office as Director, thereby confirming the method of exercising General Management of the Company;
- reviewed the composition of the Board of Directors' specialised Committees in order to take into account the aforementioned resolutions adopted at the General Meeting of 30 May 2013 (details of changes in the composition of the Board of Directors' specialised Committees are provided in section 2.2.4.1, on page 47 of this Registration Document).

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

Terms of office expiring at the end of the General Meeting called on 27 May 2014 with a view to approving the financial statements for the 2013 financial year

Michel Bleitrach's current term of office as a Director will expire at the end of the General Meeting to be held in 2014 called with a view to approving the financial statements for the 2013 financial year.

On the recommendations of the Nomination and Remuneration Committee, the Board of Directors resolved at its meeting of 4 March 2014 to propose to the General Meeting called on 27 May 2014 with a view to approving

the financial statements for the 2013 financial year the renewal of this term of office for a period of four years to expire at the end of the General Meeting to be held in 2018 with a view to approving the financial statements for the 2017 financial year.

At the same meeting, the Board of Directors also resolved, subject to renewal of the term of office as Director of Michel Bleitrach, to renew his appointment as Vice-Chairman of the Board of Directors.

2.2.3. LIST OF THE MAIN OFFICES AND POSITIONS HELD BY THE CORPORATE OFFICERS DURING THE 2013 FINANCIAL YEAR AND THE FIVE PREVIOUS YEARS**2.2.3.1. Directors in office at 31 December 2013****Jacques Pétry, Chairman and Chief Executive Officer**

- Born: 16 October 1954
- Nationality: French
- Main position held outside the Group at 31 December 2013 (when the position held within the Group is not the main position): none
- Business address: Albioma, Tour Opus 12, La Défense 9, 77 esplanade du Général de Gaulle, 92914 La Défense Cedex
- Number of Albioma shares held at 31 December 2013: 10,996

A graduate of the *École Polytechnique* and with a civil engineering qualification from *Ponts et Chaussées*, Jacques Pétry has spent more than 25 years working in the water and environmental sectors. In 1996, he was appointed Chairman and Chief Executive Officer of SITA, and in 2001 he was appointed Chairman and Chief Executive Officer of Suez Environnement. In 2005, he was appointed Chief Executive Officer of Continental Europe and South America at Sodexo. From 2007 onwards he advised investors in the environmental and energy sectors, first as Managing Director of Royal Bank of Scotland and then as an independent consultant. He served as Chairman of the Supervisory Board of Idex, an energy services provider, until October 2011. He joined Albioma (then called Séchilienne-Sidec) in 2011 as Chairman and Chief Executive Officer.

Other offices and positions**Other terms of office and positions at 31/12/2013****Within the Albioma Group**

Methaneo SAS	Representative of Albioma SA in its capacity as member of the Supervisory Board
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Outside the Albioma Group

Jacques Pétry Strategic Services EURL (dormant company)	Manager
Shanks Plc (UK) ¹	Non-Executive Director

Other terms of office and positions held during the last five years, expired at 31/12/2013**Expiry****Within the Albioma Group**

None

Outside the Albioma Group

Idex SA	Chairman of the Supervisory Board	2011
Idex SA	Member of the Supervisory Board	2011
Jacques Pétry Strategic Services Ltd (UK)	Director	2011
The Royal Bank of Scotland Plc (UK)	Managing Director (Environmental Services Sector)	2009

1. Listed company.

2 • CORPORATE GOVERNANCE

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

Michel Bleitrach, independent Director, Vice-Chairman of the Board of Directors, Chairman of the Commitments and Monitoring Committee, member of the Audit, Accounts and Risks Committee

- Born: 9 July 1945
- Nationality: French
- Main position held outside the Group at 31 December 2013 (when the position held within the Group is not the main position): Director of Keolis, Effia, Spie, JC Decaux and Holding d'Infrastructure des Métiers de l'Équipement (HIME), parent company of the Saur group
- Business address: Albioma, Tour Opus 12, La Défense 9, 77 esplanade du Général de Gaulle, 92914 La Défense Cedex
- Number of Albioma shares held at 31 December 2013: 416

Michel Bleitrach is a graduate of the *École Polytechnique* and the *École Nationale des Ponts et Chaussées*, and also holds a degree in economic sciences and an MBA from Berkeley University, California. He began his career in the engineering group Bechtel, before joining the French Ministry of Infrastructure, where he managed a number of large development programmes. He then held a range of positions within the Elf Aquitaine Group (production-exploration, chemicals and industrial development). Between 1989 and 2003 he occupied several key positions with Lyonnaise des Eaux and then within the Suez group (Chairman and Chief Executive Officer of Elyo and Suez Industrial Solutions). Michel Bleitrach has advised industrial and service groups as a consultant since 2004. From 2005 to 2012 he was Chairman and Chief Executive Officer of Keolis then, in 2012, Chairman of the parent company of the Saur group. In 2006 he joined the Board of Directors of Albioma (then called Séchilienne-Sidec), and in 2011 was appointed Vice-Chairman of the Board of Directors.

Other offices and positions

Other terms of office and positions at 31/12/2013

Within the Albioma Group

None

Outside the Albioma Group

Keolis SA	Director
Effia SA	Director
SPIE SA	Director
JC Decaux SA ¹	Director
Holding d'Infrastructure des Métiers de l'Environnement (HIME) SAS	Director

Other terms of office and positions held during the last five years, expired at 31/12/2013

Expiry

Within the Albioma Group

Albioma SA	Chairman of the Nomination and Remuneration Committee	2012
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Outside the Albioma Group

Keolis SAS	Chairman of the Management Board	2012
Keolis SA	Chairman and Chief Executive Officer	2012
Keolis Dower EDI Rail (KDR) (Australie)	Non-Executive Chairman	2012
Kebéxa SAS	President	2012
Facéo SA	Director	2010

1. Listed company.

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

Jean-Carlos Angulo, independent Director, member of the Commitments and Monitoring Committee, member of the Environmental and Social Responsibility Committee

- Born: 13 April 1949
- Nationality: French
- Main position held outside the Group at 31 December 2013 (when the position held within the Group is not the main position): Executive Vice President in charge of Operations at Lafarge
- Business address: Albioma, Tour Opus 12, La Défense 9, 77 esplanade du Général de Gaulle, 92914 La Défense Cedex
- Number of Albioma shares held at 31 December 2013: 700

A graduate of the *École Nationale Supérieure des Mines de Nancy* (1971) and INSEAD, Jean-Carlos Angulo was a Project Engineer at Société Européenne de Propulsion (SEP) from 1971 to 1974. In 1975 he joined the Lafarge group as Project Manager, then occupied management positions in several subsidiaries and business divisions, notably in Brazil (Director of Lafarge Consultoria e Estudos, 1981-1984, General Manager of Cimento Mana and General Manager of Lafarge for the Southern region of Latin America from 1990-1996). Jean-Carlos Angulo was General Manager of Lafarge Ciments France from 1996 to 1999, then in 2000 he was appointed Deputy General Manager of the Lafarge group and in 2007 a member of the group's Executive Committee. Since 2012 he has been Executive Vice President in charge of Operations At Lafarge. He joined Albioma as a Director on 30 May 2013.

Other offices and positions**Other terms of office and positions at 31/12/2013****Within the Albioma Group**

None

Outside the Albioma Group

ELC Tenedora Cementos SAPI (Mexico)	Director
Lafarge Cement WAPCO Plc (Nigeria) ¹	Director
Lafarge India Pvt Ltd (India)	Director

Other terms of office and positions held during the last five years, expired at 31/12/2013**Expiry****Within the Albioma Group**

None

Outside the Albioma Group

Lafarge North America Inc (USA)	Director	2013
Lafarge Ciments SA	Chairman of the Board of Directors	2013
Lafarge Cement Egypt SA (Egypt)	Chairman of the Board of Directors	2013
Lafarge Cementos SA (Spain)	Chairman of the Board of Directors	2013

1. Listed company.

2 • CORPORATE GOVERNANCE

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

Patrick de Giovanni, Director, member of the Audit, Accounts and Risks Committee, member of the Environmental and Social Responsibility Committee

- Born: 4 March 1945
- Nationality: French
- Main position held outside the Group at 31 December 2013 (when the position held within the Group is not the main position): Managing Partner of Apax Partners
- Business address: Apax Partners SA, 45 avenue Kléber, 75116 Paris Cedex 16
- Number of Albioma shares held at 31 December 2013: 426

After graduating from *École Polytechnique*, Patrick de Giovanni started his career with *Compagnie Française d'Organisation (COFROR)*, before holding a range of positions within the Neiman group (automotive equipment manufacturer). He then joined the industrial research department at *Société Générale* before setting up his own business, and then joining the Apax Partners group. He has been a Managing Partner at Apax since 1983. He is a former Chairman of AFIC, the French Private Equity Association. Patrick de Giovanni joined Albioma (then called Séchilienne-Sidec) as a Director in 2005.

Other offices and positions

Other terms of office and positions at 31/12/2013

Within the Albioma Group

None

Outside the Albioma Group

Altamir Gérance SA	Director
Impact Partenaires SAS	Chairman of the Supervisory Board
GFI Informatique SA ¹	Director
Financière Hélios SAS	Managing Director
Itefin Participations SAS	Managing Director
Itefin Participations SAS	Member of the Administration Committee
SC Plamet	Manager

Other terms of office and positions held during the last five years, expired at 31/12/2013

Expiry

Au sein du groupe Albioma

Néant

Outside the Albioma Group

Financière Hélios SAS	Member of the Executive Committee	2013
NWL Investissements SA (Luxembourg)	Director	2012
Finalliance SAS	Permanent representative of Apax Partners SA	2011
Camelia Participations SAS	Director	2010
Vedici Groupe SAS	Director	2010

1. Listed company.

Financière Hélios, Director, member of the Commitments and Monitoring Committee, member of the Nomination and Remuneration Committee

- French simplified limited company (*Société par actions simplifiée*) with share capital of €9,641,000, registered in the Paris Trade and Companies Register under number 483 039 806
- Registered office: 45 avenue Kléber, 75116 Paris
- Number of Albioma shares held at 31 December 2013: 10,837,019 (see information provided in section 7.3, on page 188 of this Registration Document on the breakdown of the share capital at 31 December 2013)

Other offices and positions

Not applicable.

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

Edgard Misrahi, permanent representative of Financière Hélios in its capacity as Director

- Born: 11 December 1954
- Nationality: French
- Main position held outside the Group at 31 December 2013 (when the position held within the Group is not the main position): Chairman and Chief Executive Officer of Apax Partners MidMarket
- Business address: Apax Partners SA, 45 avenue Kléber, 75116 Paris Cedex 16
- Number of Albioma shares held at 31 December 2013: 416

A graduate of the *École Polytechnique* and Harvard Business School, after spending a few years at McKinsey Co. in Paris, then in an American telecommunications group in the US, Edgard Misrahi joined Apax Partners in 1991 as Associate Director. He is currently Chairman and Chief Executive Officer of Apax Partners MidMarket. He served as Chairman of AFIC, the French Private Equity Association, from 2007 to 2008. Since 2011 he has represented Financière Hélios, Albioma's core shareholder, on the Board of Directors.

Other offices and positions**Other terms of office and positions at 31/12/2013****Within the Albioma Group**

None

Outside the Albioma Group

Apax Partners MidMarket SAS	President
Apax Partners MidMarket SAS	Director
Financière MidMarket SAS	President
Financière MidMarket SAS	Director
Financière Hélios SAS	President
Alexympia SA (Luxembourg)	Chairman of the Board of Directors
Alexympia SA (Luxembourg)	Director
Apax Partners SA	Director
InfoPro Digital SAS	Chairman of the Supervisory Board
Vocalcom SAS	Permanent representative of Apax Partners MidMarket SAS
Willink SAS	Permanent representative of Apax Partners MidMarket SAS
ETAI SAS	Member of the Management Committee
SC Carmel	Manager
SC Infolvest	Permanent representative of Apax Partners SA in its capacity as Manager
SC Cassiopée	Managing Partner
SC Pégase	Managing Partner

Other terms of office and positions held during the last five years, expired at 31/12/2013**Expiry****Within the Albioma Group**

Albioma SA	Director	2011
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Outside the Albioma Group

Financière Hélios SAS	Member of the Executive Committee	2013
Dxo Labs SA	Director	2013
SC SE Bizet	Manager	2012
H Participations SAS	President	2012
Odyfinance SA (Luxembourg)	Director	2012
Arkadin Holding SAS	Permanent representative of Apax Partners SA in its capacity as member of the Supervisory Committee	2012
Groupe Outremer Telecom SA	Director	2011
Prosodie SA	Director	2011
Camélia Participations SAS	Director	2011
Hubwo.com SA ¹	Director	2010
Cegid SA ¹	Permanent representative of Apax Partners SA	2010
Altran Technologies SA ¹	Permanent representative of Apax Partners SA	2009
Ardadin SA	Permanent representative of Apax Partners SA	2009
Apax Partners SA	Deputy Chief Executive Officer	2009
Oséo Garantie SAEM	Advisory member of the Board of Directors	2009

1. Listed company.

2 • CORPORATE GOVERNANCE

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

Myriam Maestroni, independent Director, Chairwoman of the Environmental and Social Responsibility Committee

- Born: 31 May 1967
- Nationality: French
- Main position held outside the Group at 31 December 2013 (when the position held within the Group is not the main position): Chairwoman of Economie d'Énergie
- Business address: Économie d'Énergie, 67 boulevard Bessières, 75017 Paris
- Number of Albioma shares held at 31 December 2013: 409

A graduate of the *École Supérieure de Commerce de Bordeaux* and holder of a postgraduate degree in International Business and Financial Techniques from the University of Barcelona and an MBA from ESADE (Barcelona), Myriam Maestroni worked for audit firms (Mazars-Guéraud, Salustro), then from 1991 to 1996, she served as Head of Management Control and then as Executive Managing Director for the Dyneff group (Spain) in the oil products distribution sector. She was then appointed Executive Managing Director of Primagaz Distribution (Spain), International Projects Manager of SHV Gas (Netherlands), Sales Director of Primagaz (France) and, finally, Executive Managing Director of Primagaz and SHV Gas. She is currently the founding Chairwoman of Economie d'Énergie SAS, a subsidiary of SHV Energy, the parent company of Primagaz. In November 2011, she was the recipient of La Tribune Women's Award in the "Green Business" category. She joined Albioma (then called Séchillienne-Sidec) as a Director in 2011.

Other offices and positions

Other terms of office and positions at 31/12/2013

Within the Albioma Group

None

Outside the Albioma Group

Économie d'Énergie SAS President

Other terms of office and positions held during the last five years, expired at 31/12/2013

Expiry

Within the Albioma Group

None

Outside the Albioma Group

Société Métallurgique Liotard Frères SA	Director	2011
Société Métallurgique Liotard Frères SA	Chairwoman of the Board of Directors	2011
Compagnie des Gaz de Pétrole Primagaz SA	Chief Executive Officer	2011

Michèle Remillieux, independent Director, Chairwoman of the Nomination and Remuneration Committee

- Born: 19 October 1946
- Nationality: French
- Main position held outside the Group at 31 December 2013 (when the position held within the Group is not the main position): Director of MEDEF Paris, Magistrate at the Paris Labour Relations Court (Conseil des Prud'hommes)
- Business address: Albioma, Tour Opus 12, La Défense 9, 77 esplanade du Général de Gaulle, 92 914 La Défense Cedex
- Number of Albioma shares held at 31 December 2013: 403

An IT engineer, Michèle Remillieux began her career in IT services and consulting companies before serving as CEO of Promatec from 1975 to 1987. She then joined Hay Group, the HR management consulting firm, and was appointed CEO of Hay Group France in 1999, remaining in office until 2013. She joined Albioma as a Director on 30 May 2013.

Other offices and positions

Other terms of office and positions at 31/12/2013

Within the Albioma Group

None

Outside the Albioma Group

MEDEF Paris	Director
Paris Labour Relations Court (employers' panel, sundry activities section)	Magistrate

Other terms of office and positions held during the last five years, expired at 31/12/2013

Expiry

Within the Albioma Group

None

Outside the Albioma Group

Hay Group France	Deputy Chief Executive Officer	2013
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2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

Maurice Tchenio, Director

- Born: 19 January 1943
- Nationality: French
- Main position held outside the Group at 31 December 2013 (when the position held within the Group is not the main position): Chairman and Chief Executive Officer of Altamir Amboise Gérance, Managing General Partner of Altamir Amboise, Chairman and Chief Executive Officer of Apax Partners
- Business address: Apax Partners SA, 45 avenue Kléber, 75116 Paris Cedex 16
- Number of Albioma shares held at 31 December 2013: 130,416

A graduate of the *École des Hautes Études Commerciales* (HEC) and Harvard Business School, Maurice Tchenio started his career as Assistant Professor of Finance at HEC, before joining the Institute of Industrial Development as Project Manager. In 1972, he was one of the three co-founders of Apax Partners, where he served as Chairman and Chief Executive Officer of the French branch from 1972 to 2010. He is one of the founders of AFIC, the French Private Equity Association, and is a former director of the European Venture Capital Association. In 1995 he founded Altamir Amboise, a listed private equity company, and has served as its Chairman and Chief Executive Officer since that date. In 2010, he set up a foundation with public charity status called AlphaOmega. Maurice Tchenio joined Albioma (then called Séchillienne-Sidec) as a Director in 2011.

Other offices and positions**Other terms of office and positions at 31/12/2013****Within the Albioma Group**

None

Outside the Albioma Group

Altamir Gérance SA	Chairman and Chief Executive Officer
Apax Partners SA	Chairman and Chief Executive Officer
Fondation AlphaOmega	Chairman of the Board of Directors
Toupargel Groupe SA	Director
Toupargel SASU	Vice-President
Financière de l'Échiquier SA	Director
Thom Europe SAS	Member of the Supervisory Committee
Altran Technologies SA ¹	Permanent representative of Apax Partners SA
AlphaOmega SC	Managing Partner
Amboise SNC	Manager
Société Civile Galilée Partenaires	Manager
Société Civile Longchamp	Manager
Société Civile Cimarosa	Manager
Société Civile Copernic Partenaires	Manager
Société Civile SE Wagram	Manager
Société Civile Cimarosa Tubes	Manager
Société Civile Cimarosa Média	Manager
Société Civile Cimarosa II	Manager
Société Civile Galilée Partenaires II	Manager
Société Civile Moussecarrie	Manager
Société Civile Etoile II	Manager
Société Civile Capri	Permanent representative of Apax Partners SA in its capacity as Manager
Société Civile Firoki	Permanent representative of Apax Partners SA in its capacity as Manager
Société Civile Carmel	Permanent representative of Apax Partners SA in its capacity as Manager
Société Civile Immobilière Mauryland	Co-Manager
Lion/Seneca France 1 SAS	Advisory member of the Board of Directors

1. Listed company.

2 • CORPORATE GOVERNANCE

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

Other terms of office and positions held during the last five years, expired at 31/12/2013			Expiry
Within the Albioma Group			
None			
Outside the Albioma Group			
3AC Finance SAS	President		2012
F2L SAS	Director		2012
3AB Optique Développement SAS	Director		2012
3AB Optique Expansion SAS	Director		2012
Rue du Commerce SA ¹	Permanent representative of Apax Partners SA		2011
SC Equa	Permanent representative of Apax Partners SA in its capacity as Manager		2011
Financière des Docks SAS	Permanent representative of Apax Partners SA in its capacity as member of the Supervisory Committee		2010
Morgan International Participations SA	Permanent representative of Apax Partners SA		2009
Morgan SA	Permanent representative of Morgan International Participations SA		2009
SC SE Bizet	Manager		2009
Morgap SAS	President		2009
Apax Partners Strategic Investors Ltd (UK)	Non-Executive Director		2009
Apax Partners Holdings Ltd (UK)	Non-Executive Director		2009
Apax Venture Capital Holdings III Ltd (UK)	Director		2009

1. Listed company.

Daniel Valot, independent Director, Chairman of the Audit, Accounts and Risks Committee, member of the Nomination and Remuneration Committee

- Born: 24 August 1944
- Nationality: French
- Main position held outside the Group at 31 December 2013 (when the position held within the Group is not the main position): Director of Dietswell, Scor and Compagnie Générale de Géophysique-Véritas (CGG)
- Business address: 14 rue du Lac, 1207 Genève, Suisse
- Number of Albioma shares held at 31 December 2013: 406

A graduate of the *École Nationale d'Administration* and the *Institut d'Études Politiques de Paris*, Daniel Valot is an honorary member of the Court of Auditors, where he began his career. He has spent most of his career in the energy sector, first at Total (1981-1999), where he was inter alia head of the Exploration and Production Division, and then at Technip (world leader in oil engineering), where he served as Chairman and Chief Executive Officer from 1999 to 2007. Daniel Valot joined Albioma as a Director on 30 May 2013.

Other offices and positions

Other terms of office and positions at 31/12/2013			Expiry
Within the Albioma Group			
None			
Outside the Albioma Group			
Dietswell SA ¹	Director		
Scor SE ¹	Director		
Compagnie Générale de Géophysique-Véritas (CGG) SA ¹	Director		
Other terms of office and positions held during the last five years, expired at 31/12/2013			Expiry
Within the Albioma Group			
None			
Outside the Albioma Group			
Petrocanada LLC (Canada)	Director		2009

1. Listed company.

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

2.2.3.2. Directors whose terms of office expired during the 2013 financial year and were not renewed

Xavier Lencou-Barème, Director and Company Secretary (until 30 May 2013), Advisor to the Chairman (from 30 May 2013)

- Born: 27 January 1937
- Nationality: French
- Business address: Albioma, Tour Opus 12, La Défense 9, 77 esplanade du Général de Gaulle, 92914 La Défense Cedex
- Number of Albioma shares held at 30 May 2013: 1,051

Xavier Lencou-Barème is a graduate of the *École Nationale d'Administration (ENA)* and the *Institut d'Études Politiques de Paris* and he also holds a postgraduate degree in economics and public law. He started his career in 1965 at the French Ministry of Economy and Finance, where he held various positions of responsibility in the Budget Department and as Head of the Legal Department. He served as Legal Agent at the French Treasury from 1982 to 1984. In 1984 he joined the Charbonnages de France group as Deputy Director (1984-1987) and then as Director (1987-1997) of the Finance and Legal departments, before serving as Advisor to the Chairman and Chief Executive Officer until 2002. In 2003 he joined Séchilienne-Sidec as Company Secretary, a position that he held until 30 May 2013. In 2004 he became a Director of Albioma (then called Séchilienne-Sidec), but did not seek renewal when his term of office expired on 30 May 2013. Since that date, he has been Advisor to the Chairman.

Other offices and positions (information at 30 May 2013)**Other terms of office and positions at 30/05/2013****Within the Albioma Group**

Albioma Bois-Rouge SA (formerly Compagnie Thermique de Bois-Rouge SA)	Director
Exploitation Maintenance Services SA	Director

Outside the Albioma Group

None

Other terms of office and positions held during the last five years, expired at 31/12/2013**Expiry****Au sein du groupe Albioma**

Albioma SA	Company Secretary	2013
Albioma Le Moule SA (formerly Compagnie Thermique du Moule SA)	Director	2010
Albioma Guadeloupe Logistique SA (formerly Recyclage Cendres Mâchefers Industries SA)	Director	2010
Albioma Le Gol SA (formerly Compagnie Thermique du Gol SA)	Chairman and Chief Executive Officer	2009
Albioma Le Gol SA (formerly Compagnie Thermique du Gol SA)	Director	2012
Sud Thermique Production SA	Chairman and Chief Executive Officer	2009
Sud Thermique Production SA	Director	2009

Outside the Albioma Group

None

2 • CORPORATE GOVERNANCE

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

Guy Rico, independent Director, member of the Nomination and Remuneration Committee (until 30 May 2013)

- Born: 4 April 1946
- Nationality: French
- Business address: Paul Capital, 57 avenue Franklin D. Roosevelt, 75008 Paris
- Number of Albioma shares held at 30 May 2013: 410

A graduate of the *Centre de Formation à l'Analyse Financière* and holder of a postgraduate degree in econometrics, Guy Rico also has an engineering qualification from the *École Centrale de Lyon*. He began his career as an officer in the Navy. Since 2001, Guy Rico has been one of the partners at Paul Capital Partners, a US venture capital company. He is Chairman of the French subsidiary, Paul Capital France. Guy Rico was previously Manager of Financière Tuileries, a private equity fund he founded in 1996, and which subsequently merged with Paul Capital. A former director of Compagnie Financière de Rombas, a subsidiary of the UAP group, he has also served as Chairman of SFAF (the French Society of Financial Analysts) and as a member of the Scientific Committee of the "Organisation and Quality of Financial Markets" conference organised by SBF-Bourse de Paris. In 2001 he joined Albioma (then called Séchillienne-Sidec) as a Director, but did not seek renewal when his term of office expired on 30 May 2013.

Other offices and positions (information at 30 May 2013)

Other terms of office and positions at 30/05/2013

Within the Albioma Group

None

Outside the Albioma Group

Paul Capital France SA	Chairman and Chief Executive Officer
Financière Tuileries Développement SAS	President
Neville SA	Director

Other terms of office and positions held during the last five years, expired at 31/12/2013

Expiry

Within the Albioma Group

None

Outside the Albioma Group

Éclair Group SA	Permanent representative of Financière Tuileries Développement SAS in its capacity as Director	2012
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Jean Stern, independent Director, Chairman of the Audit, Accounts and Risks Committee, member of the Commitments and Monitoring Committee (until 30 May 2013)

- Born: 4 February 1940
- Nationality: French
- Business address: Albioma, Tour Opus 12, La Défense 9, 77 esplanade du Général de Gaulle, 92914 La Défense Cedex
- Number of Albioma shares held at 30, May 2013: 417

A graduate of the *École des Hautes Études Commerciales (HEC)*, Jean Stern began his career in 1962 at Société Générale, where his duties included that of Head of Special Operations (1965-1998) and Director of Financing (1998-2001). He then served as Chairman of real estate subsidiaries of Société Générale, most notably Sogeprom, and is currently its Honorary Chairman. He joined Albioma (then called Séchillienne-Sidec) as a Director in 2001, but did not seek renewal when his term of office expired on 30 May 2013.

Other offices and positions (information at 30 May 2013)

Not applicable.

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

2.2.4. PREPARATION AND ORGANISATION OF THE BOARD OF DIRECTORS' WORK

2.2.4.1. Conditions for the preparation and organisation of the work of the Board of Directors and of the specialised Committees during the 2013 financial year

Internal Regulations of the Board of Directors and the Directors' Charter

The preparation and organisation of meetings of the Board of Directors, together with their remit, stem from application of the rules set by the law, the Company's Memorandum and Articles of Association, and the Board of Directors' Internal Regulations (the full text of which is shown in section 2.2.4.3, on page 55 of this Registration Document).

The main purpose of the Board of Directors' Internal Regulations is to supplement the applicable rules laid down by legislation, regulations and the Memorandum and Articles of Association, which bind all Directors and the Board of Directors as a whole. The Internal Regulations stipulate the Board of Directors' remit and operating procedures, as well as those of the four specialised Committees, composed of Directors, which, at its request or that of the Chairman, draw up recommendations for its attention.

The Directors' Charter, appended to the Board of Directors' Internal Regulations, lays down a number of rules, in particular relating to ethics, applicable to Directors in the performance of their duties.

The Board of Directors' Internal Regulations and the Directors' Charter can be modified by the Board of Directors, to take into account any changes in the applicable legislative and regulatory framework and also to ensure that it can operate efficiently at all times. In 2013, only minor changes were made to the Board of Directors' Internal Regulations in order to reflect the Company's new corporate name. Minor changes were made to the Directors' Charter in 2013 in order to reflect the changes made by the French securities regulator (*Autorité des Marchés Financiers*) to the practical details for the filing by the Directors, their family, friends and equivalent persons, of declarations of their dealings in the Company's shares.

On the recommendations of the Nomination and Remuneration Committee, at its meeting of 4 March 2014, the Board of Directors resolved to amend the Directors' Charter to comply with the AFEP-MEDEF Code recommendations on the number of offices that can be held by the corporate officers and Directors (section 19 of the AFEP-MEDEF Code). The rules applicable to the Directors of Albioma on the date of filing of this Registration Document are described in section 2.2.2.2, on page 35 of this Registration Document.

Each Director automatically subscribes to the provisions of the Internal Regulations and the Directors' Charter simply by accepting his/her duties.

The Board of Directors' activity

Preparation and organisation of meetings

In accordance with the provisions of the Company's Memorandum and Articles of Association, the Board of Directors meets as often as required by the Company's interests and, in any event, at least four times a year.

For each meeting, a briefing dossier is prepared that contains the information and documents necessary to review the items of business on the agenda. The Directors receive the dossier no later than 48 hours prior to the meeting.

During the meeting, a detailed presentation on the topics appearing on the agenda is made by the Chairman of the Board of Directors, assisted, where applicable, by Group employees with specific knowledge of a given topic. In the absence of the Chairman of the Board of Directors, the meetings are chaired by the Vice-Chairman of the Board of Directors or, in his absence, by a Director specifically appointed by the Board of Directors for this purpose. The Chairmen of the specialised Committees present reports to the Board on the work of their Committees. The Statutory Auditors are also heard at any meetings during which the Board of Directors reviews and approves the Company or consolidated financial statements, as a result of which the Statutory Auditors will prepare a report.

The Works Council representative is systematically invited to all Board meetings and may attend in a non-voting capacity. He/she receives the same information as the Directors.

The Board of Directors can only validly deliberate if at least half of its members are present. The topics appearing on the agenda are discussed prior to putting to the vote any decisions, which are adopted by a majority vote by the Directors present or represented, the Chairman of the meeting having a casting vote in the event of a tied vote.

Written minutes of the Board of Directors' deliberations are prepared by the Secretary of the Board of Directors and approved by the Board of Directors at the following meeting.

The Board of Directors' Internal Regulations authorise it to deliberate using telecommunication means, under the conditions and in accordance with the limits stemming from the applicable legislative and regulatory provisions.

Outside its meeting, the Board of Directors regularly receives all important information concerning the Company. The Directors are alerted of any events or developments that have a material impact on activities or information previously communicated to the Board of Directors.

The Deputy Chairman of the Board of Directors

Since 21 October 2011, the Board of Directors has a Vice-Chairman, namely Michel Bleitrach. The Vice-Chairman, who is an independent Director, assists the Chairman in consolidating good corporate governance practices, in accordance with the Board of Directors' Internal Regulations.

In the absence of the Chairman of the Board of Directors, he oversees proceedings at meetings of the Board of Directors.

Principle of collegiality and confidentiality

Above all, the Board of Directors is a collegial body. Its decisions have always resulted from a consensus, reached among its members following in-depth discussions on the topics submitted to it. During the 2013 financial year, all the Board of Directors' decisions were adopted unanimously by the voting Directors.

Pursuant to the Board of Directors' Internal Regulations, the Directors have a duty of confidentiality and non-disclosure. Directors undertake not to speak in an individual capacity, other than during the Board's internal deliberations, on matters discussed at Board meetings.

Over and above this duty of confidentiality and non-disclosure, which applies to all individuals attending the Board of Directors meetings, with respect to information not yet made public of which they become aware in the performance of their duties, the Directors are bound by a comprehensive obligation of confidentiality.

2 • CORPORATE GOVERNANCE

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

Stock market ethics

The Directors are required to comply with the applicable rules regarding the prevention of insider misconduct and insider trading. For this purpose, the Directors appear on the list of permanent insiders maintained by the Company, as they have regular access, in the performance of their duties, to privileged information concerning Albioma.

Each is responsible for determining whether information he/she holds is privileged and, in consequence thereof, deciding whether or not he/she is entitled to use or transmit such information, and whether or not he/she is entitled to carry out any transactions in the Company's securities. Where appropriate, the Directors may seek support from the Secretary of the Board of Directors to determine whether or not any actions they intend to take comply with the applicable rules regarding the prevention of insider misconduct and insider trading.

The Directors are also required to refrain from carrying out any transactions in the Company's securities during the following closed periods:

- periods beginning thirty trading days before and ending two trading days after, firstly, the disclosure of the Company's annual results and, secondly, the disclosure of the Company's half-yearly results;
- periods beginning fifteen trading days before and ending two trading days after publication of quarterly financial information in respect of the first and third quarters of the financial year.

Lastly, in accordance with the provisions of Articles L. 621-18-2 and R. 621-43-1 of the French Monetary and Financial Code and Articles 223-22 to 223-26 of the AMF General Regulations, the Directors and managers, their family and friends are required to disclose to the AMF all transactions in the Company's securities that they carry out when the amount of such transactions exceeds €5,000 in any calendar year.

The disclosures are made via the AMF's on-line system for filing information (*Organisation Numérique de la Direction des Émetteurs – ONDE*), where applicable by the Secretary of the Board of Directors when the Directors have expressly authorised the Secretary to make such disclosures. They are then made public by the AMF in the form of a Decision & Information, available on its website.

A summary of transactions in the Company's securities disclosed during the 2013 financial year is provided in section 2.4, on page 71 of this Registration Document.

The Board of Directors' areas of intervention

The Board of Directors' remit is set by the applicable legislative and regulatory provisions, supplemented by the provisions of the Company's Memorandum and Articles of Association and the Board of Directors' Internal Regulations.

The Board of Directors is tasked with determining the Group's strategy and overseeing its implementation by General Management in the exercise of its own economic and financial management mission. The Directors thus approve the broad lines of the actions that General Management pursues and submits for their authorisation and control.

It collectively represents all the shareholders and acts in the Company's interests in all circumstances. In the performance of its duties, the Board of Directors may consider any matters relating to the Company's proper functioning, subject to the powers expressly attributed to the shareholders at General Meetings and within the limits of the Company's objects purpose.

The Board of Directors' meetings and work in 2013

An active Board of Directors and diligent Directors

Participation in the work of Albioma's Board of Directors calls for a considerable investment from the Directors. Pursuant to the Board of Directors' Internal Regulations, they undertake to devote the necessary time and attention to their mission. When accepting a new appointment, they must ensure that they will remain in a position to meet this commitment.

In 2013, the Board of Directors met nine times, compared with eight times in 2012. The attendance rate of Directors at Board meetings was 89% in 2013 compared with 90% in 2012¹.

Attendance fees, paid only to independent Directors, include a variable portion linked to their actual participation in meetings of the Board of Directors. A breakdown of attendance fees is provided in section 2.3.3, on page 64 of this Registration Document.

Ongoing work on the strategic orientations of the business

During the 2013 financial year, the Board of Directors devoted a significant portion of its work to monitoring deployment of the strategy of highly efficient energy production from all forms of biomass, explained to the shareholders at the Ordinary and Extraordinary General Meeting of 14 March 2012. Initiated in 2012, the Board of Directors' annual seminar organised once again in early 2013 enabled the Directors to devote a full day's work to reviewing implementation of the strategy during the year just completed and deployment of the strategy in the years ahead.

The Board of Directors examined and supported the proposal to change the Company's name and visual identity, approved by the shareholders at the Ordinary and Extraordinary General Meeting of 30 May 2013. The Board of Directors voted on the matter on the basis of the preliminary work of a Committee specially formed to examine the possibility and implications of this proposal. This Committee was formed by the Board of Directors in early 2013 and consisted of the following members: Jacques Pétry, Chairman and Chief Executive Officer, Michel Bleitach, independent Director and Vice-Chairman of the Board of Directors, Myriam Maestroni, independent Director, and Financière Hélios, Director, represented in that capacity by Edgard Misrahi.

Following the work of the Commitments and Monitoring Committee, the Board of Directors considered several development projects in the fields of Thermal Biomass, Anaerobic Digestion and Solar Power, and formally authorised some of these projects.

The Board of Directors regularly monitored the Group's progress on the first 100% biomass projects of the Thermal Biomass business, in particular the Galion 2 project in Martinique and the Marie-Galante project in Guadeloupe, revitalised from a policy perspective following the Group's decision to make it a 100% biomass project. Special attention was paid to progress on General Management's work dedicated to the Group's presence in Brazil, an international strategic priority. In this regard, the Board of Directors notably authorised the formation of the Group's first Brazilian subsidiary, Albioma Participações do Brasil, and was kept regularly informed of developments in General Management's discussions with potential sugar-producing partners. Its work also covered the definition of the Group's profitability requirements and the acceptable level of risk in connection with its development in this new territory.

1. Average of the annual attendance rates of each Director, derived from the ratio of the number of meetings in which the Director took part during the year to the total number of meetings held during the year and during the Director's term of office.

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

Similarly, the Board of Directors paid particularly close attention to monitoring the ramping-up of the Anaerobic Digestion business, and to determining the strategic options linked to the sizing of the project portfolio and setting the profitability requirements for this business over the medium term.

The Board of Directors also examined opportunities for the Group in the biomass market in mainland France.

Lastly, continuing its work from 2012, the Board of Directors approved the sale of the Wind Power business, finalised in early 2013.

Furthermore, in connection with its strategy-related work, the Board of Directors reviewed and approved the 2014 budget and the 2014-2018 business plan, including in particular the Group's investment plan stemming from the strategic avenues thus defined.

Permanent monitoring of the Group's financial position, cash position, commitments and risks

The Board of Directors was kept informed of the Group's financial position, in connection with the work of the Audit, Accounts and Risks Committee.

In 2013, it notably examined and approved the 2012 parent company and consolidated financial statements with a view to their presentation to the General Meeting of 30 May 2013. It also reviewed and approved the consolidated financial statements for the first half of the 2013 financial year, and reviewed the quarterly financial statements for the first and third quarters of the year, in connection with the publication of quarterly financial information.

It closely monitored the actions undertaken in relation to EDF, which resulted in the signing, during the year, of riders to the long-term contracts for the sale of electricity so as to take into account, in application of the tariff revision clauses pertaining to these contracts, the additional costs stemming from the new circumstances that have arisen in recent years.

Over and above the monitoring of the Group's financial position in connection with the presentation to the market of the annual and half-yearly financial statements and the quarterly financial information, during 2013, the Board of Directors was kept regularly informed of the Group's cash position and funding needs.

Again in connection with the work of the Audit, Accounts and Risks Committee and the Commitments and Monitoring Committee, the Board of Directors also paid close attention to the review of the Group's risk mapping and the level of its commitments, as well as its position from a tax perspective.

Growing importance of work devoted to the Group's social and environmental responsibility

In connection with the work of the Environmental and Social Responsibility Committee, in 2013 the Board of Directors devoted a significant portion of its work to monitoring the Group's performances in matters of social and environmental responsibility, and establishing the Group's action plans in this area.

The Board of Directors paid particular attention to establishing and monitoring the Group's action plan covering the management and use of its fuel by-products, in connection with changes in the environmental regulatory framework and the resulting additional costs. Similarly, the Board of Directors approved the Group's investment plan in anticipation of the application in the medium term of the new environmental standards stemming from the transposition into French law of Directive no. 2010/75 of the European Parliament and Council relating to industrial emissions (IED).

In general, the creation in 2012 of the Environmental and Social Responsibility Committee, whose current composition was fixed at the Board of Directors meeting of 30 May 2013, held after the Ordinary and Extraordinary General Meeting of the same day, significantly increased the Board of Directors' involvement in the Group's social issues (safety, training, social dialogue, etc.) and environmental issues.

Constant attention paid to governance

In 2013, the Board of Directors kept a constant watch on the efficiency of the organisation and operation of governance.

In particular, the Board of Directors was prompted to propose to the shareholders at the Ordinary and Extraordinary General Meeting of 30 May 2013 the appointment of three new Directors (Jean-Carlos Angulo, Michèle Remillieux and Daniel Valot) to replace Xavier Lencou-Barème, Guy Rico and Jean Stern, whose terms of office expired at the end of the General Meeting of 30 May 2013 without them seeking renewal.

It also asked the shareholders at the same General Meeting to renew the appointments as Directors of Jacques Pétry and Financière Hélios.

Following the resolutions adopted by the shareholders at the Ordinary and Extraordinary General Meeting of 30 May 2013, approving the proposals for new appointments and renewals of appointments submitted, the Board of Directors reviewed and confirmed the method of exercising General Management of the Company by renewing the appointment as Chairman of the Board of Directors and Chief Executive Officer of Jacques Pétry. It also reviewed the composition of its specialised Committees (see the details provided in section 2.2.4.1, on page 47 of this Registration Document).

The Board of Directors' work also covered the review of the Directors' individual positions, notably regarding their independence and any potential conflicts of interest that could affect them.

At its meeting of 4 March 2014, the Board of Directors conducted its annual self-assessment for the 2013 financial year, the main findings of which are set out in section 2.2.4.2, on page 54 of this Registration Document.

Close monitoring of the Chairman and Chief Executive Officer's performance and remuneration

In 2013, the Board of Directors assessed the Chairman and Chief Executive Officer's performance in respect of the 2012 financial year, mainly for the purpose of determining the amount of the variable portion of his remuneration in respect of said year. The Board of Directors performed this analysis without the presence of the Chairman and Chief Executive Officer and with attendance restricted to external Directors only (having neither the status of a manager nor employee), as per the recommendations of the Nomination and Remuneration Committee.

The Board of Directors also set the amount of the fixed portion of the Chairman and Chief Executive Officer's remuneration for the 2013 financial year, as well as the procedures for determining the variable portion of this remuneration, by setting the quantitative and qualitative objectives underpinning payment of this component. The Board of Directors assessed the Chairman and Chief Executive Officer's performance in respect of the 2013 financial year at its meeting of 4 March 2014.

2 • CORPORATE GOVERNANCE

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

In addition, during the year, the Board of Directors reviewed the rules for splitting attendance fees between the Directors. In this regard, it renewed the allocation rules applied during the previous financial year, notably by limiting the payment of attendance fees to independent Directors only. It also proposed to the Ordinary and Extraordinary General Meeting of 30 May 2013 an increase in the cap on the attendance fees to be split between the members of the Board of Directors with effect from the 2013 financial year in order to take into account the changes in the composition of the Board of Directors submitted to this General Meeting, which resulted in the Board of Directors having one additional independent Director with effect from 30 May 2013.

Detailed information on the remuneration of corporate officers is presented in section 2.3, on page 61 of this Registration Document.

Regular monitoring of relations with shareholders and the financial community

In 2013, the Board of Directors regularly discussed topics relating to the Company's relations with its shareholders and, more generally, with the financial community.

In this connection, the Board of Directors notably proposed to the Ordinary and Extraordinary General Meeting of 30 May 2013 the implementation of a loyalty programme for shareholders whose shares are held in registered form, taking the form of a 10% increase in the dividend, provided that the shares have been held in registered form for a continuous period of at least two years with effect from 1 January 2014.

The Board of Directors was also informed of the outcome of meetings with investors organised by General Management and reviewed analyses of the shareholder structure compiled by General Management.

In this connection, the Board of Directors monitored and approved the key principles of the financial communication plan established by General Management and reviewed the main press releases published during the year.

Activity of the specialised committees

The Commitments and Monitoring Committee

The Commitments and Monitoring Committee's remit

The Commitments and Monitoring Committee's remit is determined by the Board of Directors' Internal Regulations.

The Commitments and Monitoring Committee has a broad remit to prepare the Board of Directors' deliberations relating to the definition of the Group's key strategic actions and the monitoring of their implementation by General Management. It participates in particular in monitoring the Group's portfolio of projects, using its preliminary analyses to provide more information on the authorisation requests submitted to the Board of Directors. It thus ensures that the projects identified by General Management are compatible with the strategy defined by the Board of Directors, reviews their funding conditions and the level of risk that they involve for the Group.

More generally, the Commitments and Monitoring Committee regularly monitors the Group's operating and financial performances, on which it reports to the Board of Directors. To this end, it draws on the monthly reports prepared by the Administrative and Financial Department with assistance from the Group's other operational and support departments.

Accordingly, together with the Board of Directors' other specialised Committees, the Commitments and Monitoring Committee makes an essential contribution to the proper functioning of the Group's internal control and risk management mechanism.

Composition and operating procedures of the Commitments and Monitoring Committee

At 31 December 2013, the Commitments and Monitoring Committee was comprised of three Directors, two of whom were independent Directors, including the Committee Chairman:

- Michel Bleitrach, independent Director and Vice-Chairman of the Board of Directors, Committee Chairman;
- Jean-Carlos Angulo, independent Director, Committee member;
- Financière Hélios, Director, represented in that capacity by Edgard Misrahi, Committee member.

This composition results from the deliberations of the Board of Directors meeting of 30 May 2013, following the appointment, by the shareholders at the General Meeting held on the same day, of three new Directors, to replace Xavier Lencou-Barème, Guy Rico and Jean Stern, whose terms of office expired at the end of the General Meeting without them seeking renewal. Until this date, the Commitments and Monitoring Committee was comprised as follows:

- Michel Bleitrach, independent Director and Vice-Chairman of the Board of Directors, Chairman of the Committee;
- Jean Stern, independent Director, Committee member;
- Financière Hélios, Director, represented in that capacity by Edgard Misrahi, Committee member.

All other Directors have a standing invitation to Committee meetings, and generally do attend.

The dossiers are generally presented by the Chairman and Chief Executive Officer, the Chief Operating Officers or the Chief Financial Officer, assisted, where applicable, by members of their teams responsible for the dossiers presented. The Company Secretary acts as Committee Secretary.

The Commitments and Monitoring Committee's meetings and work in 2013

In 2013, the Commitments and Monitoring Committee met eleven times, compared with ten times in 2012. The meeting attendance rate for Committee members was 90% in 2013, compared with 97% in 2012¹. Directors who are not Committee members have a standing invitation to its meetings and generally did attend.

In 2013, based on the monthly reports prepared by the Administrative and Financial Department and working with the Board of Directors, the Commitments and Monitoring Committee was responsible for continuous monitoring of the operational and financial management of the business, and of the portfolio of current projects. In this connection, the Committee considered several development projects in the Thermal Biomass, Anaerobic Digestion and Solar Power businesses, and, for certain of these, formulated for the attention of the Board of Directors recommendations in favour of their authorisation by the Board.

¹ Average of the annual attendance rates of each Director, derived from the ratio of the number of meetings in which the Director participated during the year to the total number of meetings held during the year and during the Director's term of office.

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

Particular attention was paid to:

- analysis of the final conditions for the sale of the Wind Power business to EDF Énergies Nouvelles;
- the Group's progress on the first 100% biomass projects of the Thermal Biomass business, particularly the Galion 2 project in Martinique and the Marie-Galante project in Guadeloupe;
- developments in the Group's discussions with potential partners from the sugar industry in Brazil, the definition of the Group's profitability requirements and the assessment of the acceptable level of risk in connection with its development in this new territory;
- monitoring of the ramping-up of the Anaerobic Digestion business and determining the strategic options linked to the sizing of the project portfolio and setting of the profitability requirements for this business over the medium term;
- the definition of the Group's strategic orientations in the biomass market in metropolitan France.

The Committee also closely monitored developments in the Group's discussions with EDF, which resulted in the signing, during the year, of riders to the long-term contracts for the sale of electricity so as to take into account, in application of the tariff revision clauses pertaining to these contracts, the additional costs stemming from the new circumstances that have arisen in recent years.

In addition, the Committee devoted a significant portion of its work to monitoring the Group's action plan covering the management and use of its fuel by-products, in connection with changes in the environmental regulatory framework, and to analysing the financial impacts, for the Group, of the resulting additional logistics and environmental costs.

The Commitments and Monitoring Committee reported to the Board of Directors on all its work during 2013.

Audit, Accounts and Risks Committee

The Audit, Accounts and Risks Committee's remit

The Audit, Accounts and Risks Committee's remit is determined by the Board of Directors' Internal Regulations. They comply with the provisions of Article L. 823-19 of the French Commercial Code, which calls for a specialised Committee acting under the responsibility of the Board of Directors to monitor matters relating to the preparation and control of accounting and financial information, and in particular, without prejudice to the Board of Directors' scope of activities, regarding:

- the process for the preparation of financial information;
- the effectiveness of internal control and risk management systems;
- the statutory audit of the parent company and consolidated financial statements by the Statutory Auditors;
- the Statutory Auditors' independence.

The Audit, Accounts and Risks Committee thus plays a pivotal role in the control and monitoring of the process for the preparation of the Group's financial statements and in the assessment of the quality and effectiveness of the external control of these financial statements.

It also devotes considerable effort to verifying the effectiveness of the internal control and risk management mechanisms, and assists General Management in the ongoing effort to improve existing mechanisms.

Composition and operating procedures of the Audit, Accounts and Risks Committee

At 31 December 2013, the Audit, Accounts and Risks Committee was composed of three Directors, two of whom were independent Directors, including the Committee Chairman:

- Daniel Valot, independent Director, Committee Chairman;
- Michel Bleitrach, independent Director and Vice-Chairman of the Board of Directors, Committee member;
- Patrick de Giovanni, Director, Committee member.

This composition results from the deliberations of the Board of Directors meeting at 30 May 2013, following the appointment, by the shareholders at the General Meeting held on the same day, of three new Directors, to replace Xavier Lencou-Barème, Guy Rico and Jean Stern, whose terms of office expired at the end of the General Meeting without them seeking renewal. Until this date, the Audit, Accounts and Risks Committee was comprised as follows:

- Jean Stern, independent Director, Committee Chairman;
- Michel Bleitrach, independent Director and Vice-Chairman of the Board of Directors, Committee member;
- Patrick de Giovanni, Director, Committee member.

Given their professional experience, all members of the Audit, Accounts and Risks Committee have proven specific capability in accounting and financial matters (see the details provided in section 2.2.3.1, on page 37 of this Registration Document). The Group's key accounting and financial features and issues were presented to Daniel Valot by the Administrative and Financial Department shortly after his appointment as a Committee member.

The dossiers are generally presented to the Committee by the Chairman and Chief Executive Officer or the Chief Financial Officer, assisted, where applicable, by members of their teams responsible for the dossiers presented. The Chairman and Chief Executive Officer is not a member of the Audit, Accounts and Risks Committee, which is free to deliberate without the presence of key figures from within the Group when it deems it necessary. The Statutory Auditors are invited to attend each Committee meeting, except for those devoted to renewal of their appointment and those devoted to the conditions under which they exercise their external audit assignment. The Company Secretary acts as Committee Secretary.

When the Committee examines the financial statements, it has a minimum period of 48 hours prior to the meeting to perform its review. During the meeting, the Statutory Auditors present their conclusions and observations on the findings of their audit or review and the accounting options used. The review of the financial statements is also preceded by a presentation by the Chief Financial Officer on the Company's significant risks and off-balance sheet commitments.

The Audit, Accounts and Risks Committee's meetings and work in 2013

In 2013, the Audit, Accounts and Risks Committee met four times, i.e. the same as in 2012. The attendance rate for Committee members at meetings of the Audit, Accounts and Risks Committee was 94% in 2013¹.

¹ Average of the annual attendance rates of each Director, derived from the ratio of the number of meetings in which the Director participated during the year to the total number of meetings held during the year and during the Director's term of office.

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In anticipation of the approval of the parent company and consolidated financial statements for the 2012 financial year, the Committee notably reviewed the highlights for the year, the main closing points, the key figures appearing in the financial statements, the cash position and the funding structure of the Group. It paid particular attention to the main accounting options used by General Management, the results of the goodwill impairment tests and the resulting provisions for liabilities and impairment. In this regard, the Committee heard the Statutory Auditors, who presented for its attention their audit conclusions. The Committee also reviewed the objectives for EBITDA and net income, Group share, proposed by General Management for future years, with a view to their presentation to the market.

Similarly, in anticipation of the approval of the abridged consolidated financial statements for the first half of 2013, the Committee reviewed the highlights for the first half, the main closing points, the key figures appearing in the financial statements, the cash position and the funding structure of the Group. It once again examined the main accounting options used by General Management and, on this occasion, heard the Company's Statutory Auditors, which presented to the Committee the main conclusions of their limited review. The Committee also reviewed the revised objectives for EBITDA and net income, Group share, proposed by General Management for future years, with a view to their presentation to the market.

The Committee devoted one meeting to reviewing the Group risk mapping and, on this occasion, examined the existing risk management mechanisms within the Group. In particular, it reviewed the Group's insurance cover (notably cover for direct loss and damage and business interruption, business liability, environmental risks and corporate officers' civil liability).

Lastly, the Committee's work also involved reviewing the Group's tax position, in particular concerning dock dues and the corporation tax charge for the companies.

The Audit, Accounts and Risks Committee reported to the Board of Directors on all its work during 2013.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee's remit

The Nomination and Remuneration Committee's remit is determined by the Board of Directors' Internal Regulations.

The Nomination and Remuneration Committee plays a key role in the preparation of the Board of Directors' deliberations relating to the governance and remuneration of the executive and non-executive corporate officers.

Its work calls for it to consider all matters affecting the composition of the Board of Directors and the position of Directors (selection of candidates, balanced composition of the Board of Directors in terms of independence, skills and gender parity). The Committee also considers the remuneration of the Chairman and Chief Executive Officer and the Directors prior to any discussion of the matter by the Board of Directors. Furthermore, it ensures that it is in a position to propose to the Board of Directors a succession plan in the event of a foreseeable vacancy in the role of Chief Executive Officer.

More generally, the Nomination and Remuneration Committee also reviews matters impacting the Group's human resources. As such, it is notably required to express an opinion on the Group's remuneration policy and on changes in the remuneration of the main senior managers, whose succession plans it also reviews. The Committee also provides its input in respect of employee savings schemes and employee share-ownership plans (bonus share plans and share subscription and share purchase option plans).

Composition and operating procedures of the Nomination and Remuneration Committee

At 31 December 2013, the Nomination and Remuneration Committee was composed of three Directors, two of whom were independent Directors, including the Committee Chairwoman:

- Michèle Remillieux, independent Director, Committee Chairwoman;
- Financière Hélios, Director, represented in that capacity by Edgard Misrahi, Committee member;
- Daniel Valot, independent Director, Committee member.

This composition results from the deliberations of the Board of Directors meeting of 30 May 2013, following the appointment, by the shareholders at the General Meeting held on the same day, of three new Directors, to replace Xavier Lencou-Barème, Guy Rico and Jean Stern, whose terms of office expired at the end of the General Meeting without them seeking renewal. Until this date, the Nomination and Remuneration Committee was comprised as follows:

- Myriam Maestroni, independent Director, Committee Chairwoman;
- Guy Rico, independent Director, Committee member;
- Patrick de Giovanni, Director, Committee member.

The Group's key staff-related features and issues were presented to Michèle Remillieux by the Human Resources Department shortly after her appointment as a Committee member.

As the Board of Directors did not include any employees among its members, the Nomination and Remuneration Committee did not include any employee Directors at 31 December 2013¹.

The dossiers are generally presented by the Chairman and Chief Executive Officer, the Chief Financial Officer, the Director of Human Resources or the Company Secretary. The Chairman and Chief Executive Officer is not a member of the Nomination and Remuneration Committee, which is free to deliberate without the presence of key figures from within the Group when it deems it necessary. The Committee deliberates without the presence of the Chairman and Chief Executive Officer when his position is under discussion. By contrast, the Chairman and Chief Executive Officer is systematically involved in the Committee's work on the selection and appointment of Directors and preparation of the succession plan. The Company Secretary acts as Committee Secretary.

¹ Given its size, the Company is not subject to the new provisions of Article L. 225-27-1 of the French Commercial Code, arising from Law no. 2013-504 of 14 June 2013 on job security and therefore, in 2014, is not required to take any measures aimed at facilitating the appointment of employee Directors.

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

The Nomination and Remuneration Committee's meetings and work in 2013

In 2013, the Nomination and Remuneration Committee met four times, i.e. the same as in 2012. The attendance rate for Committee members at meetings of the Nomination and Remuneration Committee was 100% in 2013, the same level as in 2012¹.

The Committee was involved in the process of selecting candidates for roles as Director, organised in collaboration with the French Institute of Directors, with a view to replacing Xavier Lencou-Barème, Guy Rico and Jean Stern, whose terms of office expired at the end of the Ordinary and Extraordinary General Meeting of 30 May 2013 without them seeking renewal. In particular, the Committee endeavoured to ensure that the candidates selected were able to enhance the skills of the Board of Directors, while at the same time meeting the objective of increasing female representation on the Board of Directors and boosting the Board's independence. This work led the Board of Directors, on the recommendations of the Nomination and Remuneration Committee, to propose to the Ordinary and Extraordinary General Meeting of 30 May 2013 the appointment of Jean-Carlos Angulo, Michèle Remillieux and Daniel Valot, who joined the Board of Directors at the end of the General Meeting.

In this connection, the Committee also prepared recommendations for the Board of Directors, on General Management's proposals, with a view to revising the composition of the Board of Directors' specialised Committees. This new composition, approved by the Board of Directors at its meeting of 30 May 2013, took into account these recommendations taking into consideration the position of the members of the newly composed Board of Directors with regard to their independence and any potential conflicts of interest that they might face.

The Committee devoted one meeting to reviewing the components of the Chairman and Chief Executive Officer's remuneration (variable portion in respect of the 2012 financial year, fixed portion and procedures for determining the variable portion for the 2013 financial year). It presented its recommendations to the Board of Directors, which approved these remuneration components.

In addition, as Jacques Pétry's terms of office as Director, Chairman of the Board of Directors and Chief Executive Officer expired at the end of the Ordinary and Extraordinary General Meeting of 30 May 2013, the Committee provided to the Board of Directors recommendations to be submitted to said General Meeting proposing renewal of the appointment as Director of Jacques Pétry, and renewal of his appointments as Chairman of the Board of Directors and Chief Executive Officer, thus confirming the exercise of General Management by the Chairman of the Board of Directors. On this occasion, the Committee also recommended to the Board of Directors that it should confirm all components of the remuneration to be paid to the Chairman and Chief Executive Officer, as decided, on its recommendations, at previous meetings of the Board of Directors, and reiterate approval of the terms and conditions for the severance payment that the Chairman and Chief Executive Officer could receive in certain cases of removal from office or non-renewal of his appointment, as well as the terms and conditions of the non-compete obligation to which he would be subject in the event that he is removed from office or his appointment is not renewed.

The Nomination and Remuneration Committee intervened on two occasions ahead of the Board of Directors' review of Directors' independence and the position of Directors with regard to potential conflicts of interest that they might face. The Committee formulated its recommendations, at the beginning of the year, in connection with the annual review organised by the Board of Directors. It also considered these topics in advance during the year, given the appointments as Director of Jean-Carlos Angulo, Michèle Remillieux and Daniel Valot at the Ordinary and Extraordinary General Meeting of 30 May 2013.

The Committee devoted one meeting to reviewing the Group's succession plan, during which it satisfied itself as to the viability of a succession plan that would enable the Group to surmount a possible General Management vacancy, and examined the key principles of the succession plan for key Group executives.

Lastly, the Committee considered several matters relating to the bonus share plan arising from the deliberations of the Ordinary and Extraordinary General Meeting of 14 March 2012. In particular, the Committee examined the conditions and procedures for the allotment to employees of Group operating companies of the supply of shares available as bonus shares that had been approved by the Board of Directors in 2012.

The Nomination and Remuneration Committee reported to the Board of Directors on all its work during 2013.

Environmental and Social Responsibility Committee

The Environmental and Social Responsibility Committee's remit

The Environmental and Social Responsibility Committee's remit is determined by the Board of Directors' Internal Regulations.

The newest of the Board of Directors' specialised Committees, the Environmental and Social Responsibility Committee was formed on 24 September 2012 in order to allow the Board of Directors to become more involved in matters concerning the Group's sustainable development. As such, the Committee examines the Group's policies and commitments on matters relating to the environment (energy transition and optimising the energy performance of natural resources, reduction in environmental impacts), staff (safety, training and diversity), and society (local initiatives and responsible procurement). It constantly monitors their implementation and any associated risks, where applicable in liaison with the Audit, Accounts and Risks Committee.

The Committee also examines the non-financial information published by the Group pursuant to its legislative and regulatory obligations and in connection with its general policy on institutional communications.

The Committee may also be called upon to review application of the ethics rules established by the Group.

Composition and operating procedures of the Environmental and Social Responsibility Committee

At 31 December 2013, the Environmental and Social Responsibility Committee was composed of three Directors, two of whom were independent Directors, including the Committee Chairwoman:

- Myriam Maestroni, independent Director, Committee Chairwoman;
- Jean-Carlos Angulo, independent Director, Committee member;
- Patrick de Giovanni, Director, Committee member.

This composition results from the deliberations of the Board of Directors meeting of 30 May 2013, following the appointment, by the shareholders at the General Meeting held on the same day, of three new Directors, to replace Xavier Lencou-Barème, Guy Rico and Jean Stern, whose terms of office expired at the end of the General Meeting without them seeking renewal. Until this date, in accordance with the deliberations of the Board of Directors meeting of 24 September 2012, which, at the time this Committee was set up, had decided to name its members only at the end of the Ordinary and Extraordinary General Meeting of 30 May 2013, Myriam Maestroni was the only member of the Environmental and Social Responsibility Committee.

1. Average of the annual attendance rates of each Director, derived from the ratio of the number of meetings in which the Director participated during the year to the total number of meetings held during the year and during the Director's term of office.

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The dossiers are generally presented by the Chairman and Chief Executive Officer, the Chief Operating Officer France or the Advisor to the Chairman on matters of Environmental and Social Responsibility, assisted, where applicable, by members of their teams responsible for the dossiers presented. The Company Secretary acts as Committee Secretary.

The Environmental and Social Responsibility Committee's meetings and work in 2013

In 2013, the Environmental and Social Responsibility Committee met twice. The attendance rate for Committee members at meetings of the Environmental and Social Responsibility Committee was 100% in 2013¹.

The Committee paid special attention to defining the strategic outlines of the Group's policy on matters of social and environmental responsibility for 2013. It reviewed the Group's main areas of work on issues of safety, training and the management of environmental risk, the Group's areas of progress on the permanent monitoring of its social and environmental indicators, and the key areas of its approach to non-financial communications over the medium term.

The Committee also devoted considerable efforts to monitoring the sites' environmental compliance and preparing the environmental risk mapping. In addition, it reviewed the key features of the Group's action plan on matters concerning the management and use of its fuel by-products, in connection with changes in the environmental regulatory framework.

The Environmental and Social Responsibility Committee reported to the Board of Directors on all its work in 2013.

2.2.4.2. Assessment of the operation of the Board of Directors

Assessment frequency and methods

In accordance with the recommendations of the AFEP-MEDEF Code and the Board of Directors' Internal Regulations, the Board of Directors performs an annual review of its operation, in particular with a view to:

- reviewing its operating procedures;
- verifying that important matters are suitably prepared and debated;
- assessing each Director's effective contribution to the Board's work as a result of his/her skills and involvement in discussions.

This approach takes the form of a self-assessment by the Board of Directors, carried out by means of questionnaires, whose results are analysed by the Board of Directors. In accordance with the recommendations of the AFEP-MEDEF Code, a documented assessment is performed at least once every three years with the help of an external consultant.

Given the major changes that have occurred in the Company's governance during the last three financial years, the frequency of assessments of the operation of the Board of Directors has been as follows:

- in respect of 2009 and 2010, the Board of Directors assessed its operation by means of a self-assessment;
- the major changes that took place in 2011 in the composition of the Board of Directors and in the organisation of General Management resulted in the deferral of the assessment of the operation of the Board of Directors in respect of 2011;

- the Board of Directors subsequently decided, on 18 January 2012, to carry out a documented assessment of its operation with the help of an external consultant (Rivoli Consulting). This assessment was conducted in April and May 2012 and its conclusions were examined at the Board of Directors meeting of 26 July 2012;
- in respect of 2013, so that the assessment approach could cover an entire financial year, the Board of Directors assessed its operation by means of a self-assessment at its meeting of 4 March 2014.

Consideration taken of the conclusions of the documented assessment examined by the Board of Directors meeting of 26 July 2012

The assessment conducted in 2012 with the help of an external consultant had notably resulted in:

- the formulation of a very positive assessment of the contribution made by the Vice-Chairman of the Board of Directors, and the Commitments and Monitoring Committee that he chairs, to the quality of communications between all members of the Board of Directors, independent or otherwise, General Management and the heads of the Company's main departments;
- a desire to ensure that the next proposals concerning the composition of the Board of Directors to be submitted to the General Meeting reflect objectives to increase female representation and introduce new skills;
- anticipating the implementation of initiatives aimed at enhancing the Directors' knowledge of changes in the Company's businesses and the context in which it carries out these businesses;
- planning for greater involvement of the Board of Directors in matters of social and environmental responsibility and, more specifically, human resources.

Various measures were implemented to take these recommendations into account. In particular:

- the appointment as Directors, by the Ordinary and Extraordinary General Meeting of 30 May 2013, of Jean-Carlos Angulo, Michèle Remillieux and Daniel Valot, to replace Xavier Lencou-Barème, Guy Rico and Jean Stern, whose terms of office expired without them seeking renewal, resulted in:
 - an increase in the proportion of independent Directors on the Board of Directors;
 - an increase in the proportion of female Directors on the Board of Directors;
 - a strengthening of the Board of Directors' skills in areas such as its knowledge of the Brazilian market, human resources management and industrial site safety;
- at meetings organised with the Group's staff responsible for topics handled by the Committees of which they became members, the Directors appointed on 30 May 2013 were informed of the key issues falling within their domain; presentation meetings were thus organised for Michèle Remillieux with the Labour Relations Department and the Company Secretary, and for Daniel Valot with the Administrative and Financial Department, while Jean-Carlos Angulo was asked to travel to Brazil, where he discussed with the team responsible for the Group's development in this new territory the key challenges facing this major strategic area, and the Group's sites on Reunion Island and in Mauritius, where he discussed with the operating staff the key issues of safety at the Group's industrial sites;

1. Average of the annual attendance rates of each Director, derived from the ratio of the number of meetings in which the Director participated during the year to the total number of meetings held during the year and during the Director's term of office. As the Environmental and Social Responsibility Committee was only set up by a decision of the Board of Directors on 24 September 2012, and its final composition was set only at the end of the Ordinary and Extraordinary General Meeting of 30 May 2013, comparative data concerning the number of meetings and the attendance rates of Committee members is unavailable for 2012.

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- lastly, the first meetings of the Environmental and Social Responsibility Committee, whose members were appointed at the end of the Ordinary and Extraordinary General Meeting of 30 May 2013, significantly boosted the Board of Directors' involvement in matters relating to the environment and safety (see the details provided in section 2.2.4.1, on page 47 of this Registration Document).

Conclusions of the assessment conducted by means of a self-assessment examined by the Board of Directors on 4 March 2014

At its meeting of 4 March 2014, the Board of Directors assessed its operation, by means of a self-assessment, based on questionnaires submitted to the Nomination and Remuneration Committee for prior review.

In general, the assessment thus conducted highlighted a very positive perception of the operation of the Board of Directors, and an improvement compared with that stemming from the previous assessment carried out in 2012. In particular, the Board of Directors recommended that:

- the role and remit of the Vice-Chairman of the Board of Directors be further formalised, in particular concerning his role in consolidating good corporate governance;
- the Board of Directors and specialised Committees be reminded that their respective members can, if they feel the need, call upon information from external sources and specialists as well as from General Management;
- the training offered to the Directors (especially new Directors) is enhanced.

2.2.4.3. Appendix: full text of the Board of Directors' internal regulations and of the Directors' Charter updated on 4 March 2014

BOARD OF DIRECTORS' INTERNAL REGULATIONS

Introduction

At its meeting of 19 December 2008, the Board of Directors of Albioma (the "Company") adopted these Internal Regulations (the "Internal Regulations"), which were subsequently supplemented on several occasions.

The Internal Regulations apply to all current and future Directors. Their purpose is to supplement the provisions of the statutes, regulations and Memorandum and Articles of Association in order to specify the operating conditions of the Board of Directors and its Committees, in the interests of the Company and its shareholders.

The Directors' Charter, which stipulates Directors' duties and obligations, is appended hereto.

For the purposes of these Internal Regulations:

- "Directors" means the members of the Company's Board of Directors;
- "General Meeting" means the General Meetings of the Company's shareholders;
- "Board of Directors" or "Board" means the Company's Board of Directors;
- "Group" means the Company and any company it controls within the meaning of Article L. 233-3 of the French Commercial Code;
- "Chairman" means the Chairman of the Board of Directors; and
- "Chief Executive Officer" means the Company's Chief Executive Officer.

The Internal Regulations are for internal use and do not replace the Company's Memorandum and Articles of Association, but implement them in a practical manner. Therefore, third parties may not assert the Internal Regulations against the Company. Shareholders will be informed of the existence of the Internal Regulations in the Company's annual report and on the Company's website.

The Internal Regulations may be amended by a decision of the Board of Directors.

1. Composition of the Board of Directors

The Board of Directors shall be composed of at least three members and no more than twelve members, subject to statutory provisions that apply to mergers. To the extent possible, one third of the members of the Board of Directors should be independent Directors.

A Director is considered to be independent if he/she has no relationship of any type with the Company, its Group or its management that could compromise his/her ability to freely exercise his/her judgment. Thus, an independent Director is not simply a "non-executive" director (i.e. a director who does not hold a management position with the Company or its Group), but must also not have any specific ties (significant shareholder, employee, customer, supplier, etc.).

The Board of Directors has the authority to determine whether a Director is independent.

The Board of Directors shall regularly review its composition. In addition, it shall study its operation annually. It shall meet once a year outside the presence of the Company's internal Directors to evaluate the performance of the Chairman and Chief Executive Officer, if these functions are combined, or the performances of both the Chairman and the Chief Executive Officer, if these functions are separated.

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2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

2. Powers of the Board of Directors

In conjunction with the General Meeting, the Board of Directors is the Company's primary decision-making and control body. Its powers include:

- determining the Company's business policies and ensuring they are carried out, by having its Chairman submit reports to it about on-going business and projects;
- considering any matter relating to the proper operation of the Company;
- authorising the furnishing of sureties, pledges and guarantees;
- authorising "regulated" agreements and commitments before they are concluded, in accordance with the statutes in force and the Company's Memorandum and Articles of Association;
- carrying out the controls and verifications it deems necessary;
- preparing and approving the parent company and consolidated financial statements, as well as half-yearly financial statements;
- reviewing interim management documents;
- authorising investments required for industrial or external growth projects during the year and/or the financing thereof;
- authorising all significant sales (or contributions) of assets;
- studying all proposed merger, demerger or contribution transactions;
- setting the remuneration of the Chairman and Chief Executive Officer;
- creating Committees tasked with studying issues that the Board itself or its Chairman submit for their review and opinion.

The Board of Directors shall review and approve the information published in the Company's annual report on its structures and corporate governance practices.

3. Operation of the Board of Directors

3.1. Meetings of the Board of Directors

The Board of Directors shall meet as often as required by the Company's interests, and at least four times a year, at the registered office or any other place specified in the notice of meeting.

Specific meetings dealing with strategy, human resources, risk management or any other subject may be scheduled depending on priorities and needs.

Notices of meetings shall be given by the Chairman or half of the Board's members, by any means, including orally, in principle at least three business days before the Board meeting, except in the event of an emergency.

3.2. Information provided to Directors

The Chairman or the Chief Executive Officer shall provide each Director with all documents and information necessary for him/her to perform his/her duties.

Directors may obtain all documents they deem necessary. Requests for additional information shall be made to the Chairman of the Board of Directors, who will assess whether the documents requested are necessary.

Before each Board of Directors' meeting, the Directors shall receive, in a timely manner and subject to confidentiality requirements, a dossier on the matters on the agenda that require prior analysis and reflection.

Between Board meetings, Directors shall regularly receive all important information concerning the Company, and shall be informed of any event or change that significantly affects the transactions or information previously reported to the Board.

In particular, the Directors shall be provided with the Company's press releases, as well as with significant press articles and financial analysis reports.

The Directors may meet the Group's principal managers outside the presence of the corporate officers, provided they submit a request for such a meeting to the Chairman of the Board of Directors, who will inform the corporate officers thereof.

3.3. Proxies

All Directors may be represented by another Director at a specific meeting. Proxies may be granted by a simple personal letter or even by telegram. Each Director may hold only one proxy at any given meeting.

The foregoing provisions apply to permanent representatives of legal entities that are Directors.

3.4. Deliberations

The deliberations of the Board of Directors shall be valid only if at least half its members are present.

Decisions shall be adopted by a majority of the members present or represented. A Director who has been granted a proxy by a fellow Board member shall hold two votes.

The Chairman of the Board of Directors or, in his/her absence, the Vice-Chairman appointed by the Board to assist the Chairman in consolidating proper governance of the Company, shall lead the discussions.

If both are absent, the meeting shall be chaired by a Director specially appointed for such purpose by the members of the Board present at the meeting.

In the event of a tied vote, the Chairman of the meeting shall have the casting vote.

3.5. Participation in meetings by videoconference or other means of telecommunication

For the purposes of calculating the quorum and majority, Directors who participate in Board meetings by videoconference or other means of telecommunication that allow them to be identified and enable them to participate effectively, in accordance with the conditions below, shall be deemed present.

- Videoconference systems or other means of telecommunication may be used at all Board of Directors' meetings. However, in accordance with the provisions of Article L. 225-37, paragraph 3, of the French Commercial Code, these methods of participation may not be used to prepare the annual financial statements and the Management Report, or the consolidated financial statements and the Group Management Report.
- Before the start of deliberations, it must be ensured there are no third parties, microphones or any other element that would be contrary to the confidential nature of deliberations.
- Each participant must be able to speak and to hear what is said.
- The videoconference system or other means of telecommunication used must possess technical features enabling them to continuously and simultaneously retransmit the deliberations so as to enable the Directors to actually take part in the Board's deliberations.
- In the event the Chairman of the meeting notes a malfunction of the videoconference system or other means of telecommunication, the Board of Directors may validly deliberate and/or continue the meeting with only the members who are physically present, provided the quorum requirement is met.

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3.6. Attendance register

An attendance register shall be kept, which shall be signed by the Directors who attended the Board meeting, and which, if applicable, shall state the names of Directors who took part in the deliberations by videoconference or other means of telecommunication (on their own behalf and on behalf of the Directors they represent).

3.7. Minutes

The deliberations of the Board of Directors shall be recorded in minutes kept in a special register maintained in accordance with the statutes in force, and shall be signed by the Chairman of the meeting and at least one Director. If the Chairman of the meeting is unable to sign the minutes, they shall be signed by at least two Directors.

The minutes shall be approved at the next meeting. For such purpose, the draft minutes shall be sent in advance to each Director.

Minutes of meetings shall state the names of the Directors who are present or deemed present in accordance with applicable legislation, who sent their apologies or who are absent. The minutes shall record the presence or absence of persons who were given notice of the Board meeting and the presence of any other person who attended all or part of the meeting.

The minutes shall mention any videoconference system or other means of telecommunication used, the name of each Director who participated in the Board meeting using such means and, if applicable, any technical incident that disrupted the conduct of the meeting, including the interruption and reestablishment of remote participation.

Copies or extracts of minutes may be validly certified by the Chairman of the Board of Directors, the Chief Executive Officer, the Director temporarily appointed to chair the meeting, the Secretary of the Board of Directors or an agent appointed for such purpose by the Board.

4. The Board of Directors' Committees

The Board of Directors may create Committees comprised of Directors, or managers, or of both Directors and managers of the Company. Members of these Committees shall be responsible for reviewing any matters referred to them by the Board or its Chairman.

The following Committees have been created by the Board of Directors:

- the Audit, Accounts and Risks Committee,
- the Nomination and Remuneration Committee,
- the Commitments and Monitoring Committee,
- the Environmental and Social Responsibility Committee.

Each Committee shall report on its assignments to the Board of Directors.

The Committees act in an advisory capacity only.

The Board of Directors shall have full discretion to decide on any action to be taken with regard to the proposals or recommendations submitted by the Committees. Each Director shall remain free to vote as he/she sees fit, and is not bound by the studies, investigations or reports of the Committees or any recommendations they may make.

The composition of these Committees may be modified at any time by a decision of the Board.

5. Audit, Accounts and Risks Committee

5.1. Composition

The Audit, Accounts and Risks Committee shall be comprised of at least three directors.

At least two thirds of its members shall be independent Directors within the meaning of the AFEP-MEDEF Corporate Governance Code.

Based on their training and/or professional experience, the Committee members shall have accounting and financial expertise.

The Committee shall not include any corporate officer.

The Committee shall be chaired by one of its members, who shall be designated by the Board of Directors

5.2. Operating procedures

The Audit, Accounts and Risks Committee shall meet at least four times a year and, in any event, before the Board of Directors' meetings at which the annual and half-yearly financial statements, the quarterly financial information and matters falling within its remit are studied.

The agenda for Committee meetings shall be prepared under the responsibility of its Chairman.

The Committee shall have a secretariat to prepare meetings under the authority of its Chairman.

The Committee shall receive all elements, documents and information relating to the performance of its duties.

The Committee may request to meet with the Chairman of the Board of Directors.

The Committee may also interview the Directors, the employees of the Company and its subsidiaries, members of the internal control function and the external auditors of the Company and its subsidiaries.

If it deems it necessary, the Committee may request the assistance of external specialists, in which case the Company must provide it with the corresponding financial resources.

The Committee shall report on the performance of its duties to the Board of Directors, in particular by means of the briefings provided by its Chairman and by providing Directors with the minutes of its meetings, which shall state if its members were present or absent

5.3. Powers

The Audit, Accounts and Risks Committee shall monitor matters in connection with the preparation and control of accounting and financial information and shall prepare the deliberations of the Board of Directors by monitoring the matters listed below and reporting to the Board on its activities.

- Monitoring the process for preparation of financial information: reporting on the financial position, financial policy and financial strategy of the Company and its subsidiaries; reporting on the procedures used to prepare, collect, analyse and verify accounting and financial information, in particular information communicated to the shareholders and the market; reviewing the communications of the Company and its subsidiaries on accounting and financial matters; reviewing all issues of an accounting or financial nature submitted to it by the Chairman of the Board of Directors, General Management or the Statutory Auditors; approving the architecture of all systems used to prepare financial information; reviewing the compliance of accounting measurements and choices made with the accounting standards framework and reviewing the means implemented to achieve the objectives set (accurate and complete picture of the position of the Company and its subsidiaries, transparency, clarity and consistency over time).
- Monitoring the effectiveness of internal control and risk management systems: reviewing the organisation and application of internal control procedures within the Company and its subsidiaries; reviewing the work and analyses carried out in this respect, and the work, analyses and reports of external auditors; meeting with the internal control managers and the external auditors; reviewing the procedures used to identify and monitor risks; reviewing and monitoring risks identified, their classification and prevention and action plans; reviewing the Report of the Chairman of the Board of Directors on the operation of the Board of Directors and internal control and risk management systems.

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2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

- Monitoring the annual and half-yearly financial statements as well as quarterly financial information: reporting on the consolidation scope, accounting methods and control procedures; reviewing the financial statements and, in particular, analysing provisions, risks and significant off-balance sheet commitments; reporting on accounting positions taken in recording significant transactions; overseeing the Statutory Auditors' review of the parent company and consolidated financial statements; conducting a prior review of draft accounting documents submitted to the Board of Directors.
- Monitoring the conditions for exercise of the external auditors' assignments: supervising the procedure for selecting or reappointing Statutory Auditors; reviewing the manner in which they perform their assignments and the fees paid to external auditors; monitoring their independence and the updated declarations and information with respect to such independence.
- When it reviews the financial statements, the Committee shall focus on significant transactions that may generate conflicts of interest.

6. Nomination and Remuneration Committee

6.1. Composition

The Nomination and Remuneration Committee shall be comprised of three Directors, at least one of whom shall be an independent Director.

6.2. Operating procedures

The Nomination and Remuneration Committee shall meet before any Board of Directors' meeting at which matters within its purview are to be considered and, in any event, at least once a year.

The Committee shall inform the Board of Directors of its work and observations through minutes submitted to the Chairman of the Board of Directors and briefings by its members at Board of Directors' meetings.

The Committee may request to meet with the Chairman of the Board of Directors.

6.3. Powers

- The Nomination and Remuneration Committee is tasked with examining the following topics: composition of the Board, appointments of Directors and renewal of their appointments, Directors' fees, the Group's organisation and structures, and all aspects of appointments and remuneration (including benefits of all types) of the corporate officers and members of the Executive Committee.
- It shall thus make proposals to the Board with respect to appointments of Directors and renewal of their appointments, after a detailed review of all information it is required to take into account concerning the desired balance in the composition of the Board in light of changes to the Company's shareholder structure and business activities, gender balance and the types of expertise represented, and on the basis of the search for and assessment of possible candidates. In particular, the Committee shall establish a procedure for selecting future independent Directors and shall study potential candidates before they are approached.
- The Committee shall also propose succession solutions to the Board in the event of a foreseeable vacancy in executive corporate officer positions and study the succession plans for the main senior executives.
- The Board of Directors shall decide the remuneration of corporate officers, and the Chairman and Chief Executive Officer shall decide the remuneration of executives who are members of the Executive Committee, after having obtained the comments of the Nomination and Remuneration Committee, and on the basis of observations on actual changes in the modulation factors adopted in light of the expectations concerning each of them.

- The duties of the Nomination and Remuneration Committee shall include making recommendations and proposals on the policy with respect to options to subscribe or purchase shares and share allotments.
- In performing its duties, the Board shall examine inter alia the practices of comparable companies and the rules for calculating the variable component of remuneration consistent with performance evaluations.

7. Commitments and Monitoring Committee

The Commitments and Monitoring Committee shall be comprised of at least three Directors, including the Vice-Chairman of the Board of Directors, who shall chair the Committee.

The Committee shall meet an average of ten times a year to become familiar with the reported situation arising from the Company's commitments and to review and assess the factors relevant to changes thereto, to examine development projects at their various stages, and to regularly report on all significant matters in respect of the Company and the Group.

The Committee shall make observations, give opinions and make recommendations to the Board of Directors on all matters referred to it by General Management relating to projects and the monitoring of operations

8. Environmental and Social Responsibility Committee

The Environmental and Social Responsibility Committee shall be comprised of at least three Directors.

The Committee shall meet an average of three times a year and its duties shall involve:

- examining the Group's main social and environmental opportunities and risks in light of the issues associated with its strategy and business operations, and providing the Board with opinions on recommended actions in the area within the framework of its sustainable development policy;
- reviewing the Company's sustainable development and social and environmental responsibility policies and commitments, proposing modifications whenever appropriate in view of the Group's expansion, and assessing achievements in light of predetermined objectives;
- reviewing non-financial information published by the Group, in particular on social and environmental matters;
- monitoring application of the rules of conduct defined by the Group.

9. Remuneration of Directors

All Directors may receive directors' fees as remuneration for the performance of their duties, the total amount of which shall be determined by the Company's shareholders at a General Meeting. The Board of Directors shall have full discretion to determine the allocation of such directors' fees, in light of the recommendations and proposals of the Nomination and Remuneration Committee.

DIRECTORS' CHARTER (APPENDED TO THE BOARD OF DIRECTORS' INTERNAL REGULATIONS)

This Charter specifies the duties and obligations of Directors.

Each Director and, if applicable, each permanent representative of a legal entity that is a Director, shall comply with this Charter.

1. Representation of shareholders

The Board of Directors collectively represents all shareholders and shall, in all circumstances, act in the corporate interest. Each Director, regardless of the manner in which he/she was appointed, shall represent all shareholders.

2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

2. Knowledge of duties and obligations

Before accepting his/her position, each Director shall become familiar with the laws and regulations relevant to his/her position, the Company's Memorandum and Articles of Association, this Charter and the Board of Directors' Internal Regulations.

Each Director may at any time consult the Secretary of the Board of Directors regarding the scope of such texts and the duties and obligations attached to his/her position.

3. Holding a minimum number of shares in the Company

Each Director must hold four hundred shares in the Company, in registered form, throughout his/her term of office.

4. Information

Each Director shall ensure that he/she receives in a timely manner all information necessary to perform his/her duties. He/she shall, within the appropriate time periods, request and demand from the Chairman of the Board of Directors the information he/she deems necessary to perform his/her duties and to discuss business on the agenda of Board of Directors' meetings.

5. Regular attendance

Each Director shall devote to his/her position the necessary time and attention and, when he/she accepts another position, should ask himself/herself whether it will permit him/her to fulfil this duty. Except in cases of genuine impossibility, he/she shall attend all meetings of the Board of Directors and of the Committees of which he/she is a member, as well as the General Meetings of shareholders.

6. Conflicts of interest

Directors shall inform the Board of Directors of any conflict of interest situation, including potential conflicts of interest, immediately they become aware thereof, and shall refrain from participating in discussions and votes on the corresponding decision. If a Director has a permanent conflict of interest, he/she must resign.

7. Number of terms of office held by the Directors

The Chairman and Chief Executive Officer can hold no more than two other offices as director in non-Group listed companies, including foreign companies.

Furthermore, the Chairman and Chief Executive Officer must seek prior authorisation from the Board of Directors before accepting any office in any non-Group listed company.

Directors other than the Chairman and Chief Executive Officer cannot hold more than four other offices in non-Group listed companies, including foreign companies.

The Directors shall keep the Board of Directors informed of all offices and significant positions, including as members of specialised committees of a board of directors, that they hold in any listed or unlisted non-Group company.

8. Duty of confidentiality and non-disclosure

Directors undertake not to speak in an individual capacity, other than during the Board's internal deliberations, on matters discussed at Board meetings.

With respect to non-public information of which they become aware in the performance of their duties, Directors should consider themselves bound by an obligation to maintain professional secrecy that goes beyond the mere duty of non-disclosure stipulated by Article L. 225-37, paragraph 5, of the French Commercial Code.

The duty of non-disclosure applies to all persons who are requested to attend Board meetings with respect to information of a confidential nature that is presented as such by the Chairman of the Board.

9. Stock market ethics**Privileged information**

In accordance with the provisions of Article 621-1 of the General Regulations of the *Autorité des Marchés Financiers (AMF)*, privileged information is defined as specific, non-public information that directly or indirectly concerns one or more listed companies, which if made public is likely to have a noticeable influence on the share price and, more broadly, on the price of the financial instruments issued by the relevant companies, or to influence the decisions investors may take regarding such shares or instruments.

Information is considered to be public if it has been communicated to the public in the form of a press release issued by the Company.

Principles

Directors shall use privileged information concerning the Group only in the performance of their duties. Such information shall in no event be disclosed to third parties outside the scope of the performance of the Director's duties, or for any purpose or activity other than that for which the information is held.

Any Director who holds privileged information concerning the Group is considered to be an "insider" and shall refrain from carrying out, directly or through an intermediary, on his/her own behalf or on behalf of a third party, transactions in the Company's securities, so long as the information has not been made public.

Any Director who holds privileged information concerning the Group shall refrain from recommending to any other person to buy or sell, on his/her own behalf or on behalf of a third party, whether directly or indirectly, the Company's securities, so long as the information has not been made public.

Each Director shall be personally responsible for determining whether information he/she holds is privileged and, in consequence thereof, deciding whether or not he/she is entitled to use or transmit such information, and whether or not he/she is entitled to carry out any transactions in the Company's securities.

Blackout periods

In addition to the period prior to the publication of any privileged information of which they are aware, during which, in accordance with the law, insiders must refrain from carrying out any transactions in the Company's securities, Directors are recommended to refrain from carrying out any transactions in the Company's securities during the following periods:

- periods beginning thirty days before and ending two trading days after, firstly, the disclosure of the Company's annual results and, secondly, the disclosure of the Company's half-yearly results;
- periods beginning fifteen days before and ending two trading days after each publication of quarterly information.

Insider trading

Directors have been informed of the provisions in force on the holding of privileged information and insider trading: Articles 621-1 et seq. of the AMF General Regulations and Article L. 465-1 of the French Monetary and Financial Code.

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2.2. Composition of the Board of Directors and conditions for the preparation and organisation of its work

Obligation to report transactions in the Company's securities

In accordance with the provisions of Articles L. 621-18-2 and R. 621-43-1 of the French Monetary and Financial Code, Articles 223-22 to 223-26 of the AMF General Regulations and AMF Instruction no. 2006-05 of 3 February 2006 on transactions of senior managers and the persons referred to in Article L. 621-18-2 of the French Monetary and Financial Code in a company's securities, Directors and their family and friends are required to report to the AMF purchases, sales, subscriptions and exchanges of the Company's financial instruments, as well as transactions carried out in instruments associated therewith, if the total amount of such transactions exceeds €5,000 in any calendar year.

Directors and their family and friends must make the disclosure to the AMF using its dedicated and secure electronic platform for filing information (ONDE). To this end, they should create an account giving access to this platform if they do not already have such an account.

If disclosure is made to the AMF, the persons who file such information shall provide the Secretary of the Company's Board of Directors with a copy of the disclosure. Each Director can, by any written means, and notably by email, authorise the Secretary of the Board of Directors to make, on his behalf, any filings that the Director is required to make. To this end, the Director shall transmit to the Secretary of the Board of Directors the terms and conditions of the transactions to be disclosed as soon as they are carried out. The Secretary of the Board of Directors will file the information via his own account with the ONDE platform.

The AMF displays the disclosed information on its website, and a yearly summary thereof is included in the Management Report submitted to the Company's Annual General Meeting.

2.2.5. SPECIFIC PROCEDURES RELATING TO TAKING PART IN GENERAL MEETINGS OF SHAREHOLDERS

The procedures for taking part in General Meetings of shareholders are specified in Article 32 of the Company's Memorandum and Articles of Association.

The Company's Memorandum and Articles of Association are available on its website (www.albioma.com) and the principal provisions (including those of Article 32) are described in section 7.1.2, on page 178 of this Registration Document.

2.2.6. PRINCIPLES AND RULES DRAWN UP BY THE BOARD OF DIRECTORS TO DETERMINE THE REMUNERATION AND BENEFITS OF ANY KIND AWARDED TO CORPORATE OFFICERS

Only the Board of Directors has the authority to determine, based on the recommendations of the Nomination and Remuneration Committee, the remuneration and benefits of any kind awarded to the executive corporate officers (in the case of the Company, the Chairman and Chief Executive Officer). The Board of Directors and the Nomination and Remuneration Committee are responsible for determining said remuneration and benefits, on the basis of the following principles since 2012:

- the remuneration paid in cash takes into account the importance of the responsibilities actually assumed and the Group's need to be competitive; the variable portion is significant, and may be as high as 100% of the fixed portion, in the event that the stringent quantitative and qualitative objectives, determined at the start of the financial year in line with the strategy drawn up by the Board of Directors, are achieved;
- as regards long-term incentive compensation, executive corporate officers are awarded bonus shares, effective acquisition of which is subject to strict performance conditions, which enable General Management's interests to be aligned with shareholders' interests.

The work of the Nomination and Remuneration Committee and the Board of Directors is based on comparative data which enable the Group to ensure that, whilst remaining competitive, the total remuneration paid to executive corporate officers is in accordance with market standards in companies of a comparable size and/or operating in similar business sectors.

In this context, at the beginning of the year, the Nomination and Remuneration Committee made recommendations to the Board of Directors concerning the setting of the variable portion of executive corporate officers' remuneration in respect of the previous financial year, by carrying out a detailed review of the objectives the Board of Directors had set for them. It also made recommendations to the Board of Directors concerning the amount of the fixed portion of executive corporate officers' remuneration for the current financial year, and the procedures for determining the variable portion of this remuneration (in particular the quantitative and qualitative objectives to be set for the executive corporate officers).

The Board of Directors then set, based on the recommendations of the Nomination and Remuneration Committee, the various components of executive corporate officers' remuneration for the previous and current financial years.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors also determined the bonus share allotments to be made to the executive corporate officers, ensuring, in particular, that these allotments, valued in accordance with IFRS, do not represent a disproportionate portion of executive corporate officers' total remuneration and that the portion of the allotments reserved for executive corporate officers within a bonus share plan is in accordance with market practices.

Detailed information on executive corporate officers' remuneration is provided in section 2.3 on page 61 of this Registration Document.

2.3. Remuneration received by corporate officers

Information concerning the remuneration received by corporate officers is presented in accordance with the provisions of the AFEP/MEDEF Code and the AMF's Recommendation of 22 December 2008 on information to be disclosed on remuneration received by corporate officers, summarised in AMF Position/Recommendation no. 2009-16 of 10 December 2009 and most recently amended on 17 December 2013.

The information referred to in Articles L. 225-184 and L. 225-197-4 of the French Commercial Code relating to, respectively, stock-options allotted during the financial year to the Company's employees and stock-options exercised by said employees, and to bonus shares allotted during the financial year to the company's employees and shares effectively acquired by said employees, is presented in sections 7.4.2 and 7.4.3 on pages 194 and 195 of this Registration Document.

It should be noted that no remuneration was due to corporate officers by companies controlled by Albioma in respect of the 2012 and 2013 financial years, nor was any paid to corporate officers by these companies during said financial years.

2.3.1. SUMMARY OF REMUNERATION AND STOCK-OPTIONS ALLOCATED TO EACH EXECUTIVE CORPORATE OFFICER

In thousands of euros ¹	2013	2012
Jacques Pétry		
Chairman and Chief Executive Officer		
Remuneration for the financial year ²	820.73	820.57
Value of multi-year variable remuneration allocated during the financial year ³	–	–
Value of stock-options allotted during the financial year ⁴	–	–
Value of bonus shares allotted during the financial year ⁵	–	74.25
Total	820.73	894.82

1. Remuneration components are presented on a gross, pre-tax basis.

2. The total amount of the annual fixed and variable remuneration due in respect of the performance of the duties of Chairman and Chief Executive Officer from 1 January to 31 December of the financial year concerned. Further details are provided in section 2.3.2 on page 61 of this Registration Document.

3. There was no mechanism for allocating multi-year, variable remuneration to the Chairman and Chief Executive Officer in respect of the 2012 and 2013 financial years.

4. Value, on their allotment date, of the options allotted during the financial year concerned, as used in connection with the application of accounting standard IFRS 2. Further details are provided in section 2.3.4 on page 65 of this Registration Document.

5. Value, on their allotment date, of the bonus shares allotted during the financial year concerned, as used in connection with the application of accounting standard IFRS 2. Further details are provided in section 2.3.5 on page 67 of this Registration Document.

2.3.2. SUMMARY OF REMUNERATION RECEIVED BY EACH EXECUTIVE CORPORATE OFFICER

In thousands of euros ¹	2013		2012	
	Amounts due ²	Amounts paid ³	Amounts due ²	Amounts paid ³
Jacques Pétry				
Chairman and Chief Executive Officer				
Fixed remuneration ⁴	400.00	400.00	400.00	400.00
Annual variable remuneration ⁵	400.00	400.00	400.00	67.00
Multi-year variable remuneration ⁶	–	–	–	–
Exceptional remuneration ⁷	–	–	–	–
Directors' fees ⁸	–	–	–	–
Benefits in kind ⁹	20.73	20.73	20.57	20.57
Total	820.73	820.73	820.57	487.57

1. Remuneration components are presented on a gross, pre-tax basis.

2. Remuneration components due in respect of the performance of the duties of Chairman and Chief Executive Officer from 1 January to 31 December of the financial year concerned.

3. Remuneration components actually paid between 1 January and 31 December of the financial year concerned. The fixed remuneration due in respect of a financial year is paid in 12 equal instalments during said year. The variable remuneration due in respect of a financial year is paid during the following financial year.

4. More detailed information is provided in the rest of this section of this Registration Document.

5. More detailed information is provided in the rest of this section of this Registration Document.

6. There was no mechanism for allocating multi-year, variable remuneration to the Chairman and Chief Executive Officer in respect of the 2012 and 2013 financial years.

7. No exceptional remuneration was due in respect of the 2012 and 2013 financial years, nor was any paid during these financial years, to the Chairman and Chief Executive Officer.

8. More detailed information is provided in section 2.3.3 on page 64 of this Registration Document.

9. The benefits in kind correspond to the value of the provision of a company car, the contributions in respect of the insurance cover for company managers and executives (Garantie Sociale des Chefs et Dirigeants d'Entreprise - GSC) and the excess contributions to the welfare plan, disallowed for tax purposes.

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2.3. Remuneration received by corporate officers

Further information on the remuneration received by the Chairman and Chief Executive Officer

Details are provided in section 2.2.6 on page 60 of this Registration Document on the principles and rules drawn up by the Board of Directors to determine the remuneration and benefits of any kind received by the Chairman and Chief Executive Officer.

Jacques Pétry is not employed under a contract of employment by the Company or any of its subsidiaries.

2013 financial year

In respect of the 2013 financial year, Jacques Pétry, in his capacity as Chairman and Chief Executive Officer, received gross annual fixed remuneration of €400,000, paid monthly over 12 months. At its meeting on 18 March 2013, the Board of Directors therefore decided, based on the recommendations of the Nomination and Remuneration Committee, that the fixed portion of Mr Pétry's remuneration would remain at the same level as in 2012.

In accordance with the recommendations of the Nomination and Remuneration Committee, the Board of Directors also decided, at the same meeting, to adopt the same principles for determining the variable portion of Mr Pétry's remuneration as those applied in respect of the 2012 financial year:

- the maximum amount of the variable portion of Jacques Pétry's remuneration was set at €400,000, i.e. 100% of the amount of the fixed portion of his remuneration;
- receipt of the variable portion of Jacques Pétry's remuneration and the calculation of its amount are dependent upon the achievement of quantitative objectives linked to the EBITDA, net income, Group share, and operating free cash flow budgeted for the financial year and of the qualitative objectives set for him by the Board of Directors at the beginning of the financial year.

At the same meeting, the Board of Directors also decided to retain the mechanism for calculating the variable portion of Jacques Pétry's remuneration, as shown in the following table.

Calculation of the relative portion of the amounts corresponding to the quantitative and qualitative indicators in the maximum possible variable portion of the remuneration

	As % of the maximum amount of the variable portion	In euros
Proportion corresponding to the EBITDA indicator	22.00%	88,000
Proportion corresponding to the NIGS indicator ¹	22.00%	88,000
Proportion corresponding to the FCF indicator ²	22.00%	88,000
Proportion corresponding to quantitative indicators	66.00%	264,000
Proportion corresponding to qualitative indicators	34.00%	136,000
Total	100.00%	400,000

1. Net income, Group share.

2. Operating free cash flow.

Minimum values applicable to each of the quantitative indicators

Minimum value for allocation of amount linked to EBITDA indicator	90% of budgeted EBITDA ³
Minimum value for allocation of amount linked to NIGS ¹ indicator	80% of budgeted NIGS ³
Minimum value for allocation of amount linked to FCF ² indicator	90% of budgeted FCF ³

1. Group share.

2. Operating free cash flow.

3. If any one of these minimum values is not achieved, all the amounts to be allocated for each quantitative indicator are equal to €0.

Calculation of amounts to be allocated for each quantitative indicator on the basis of the performance (P) achieved, within the limit of the maximum possible variable portion of the remuneration, where an under-performing indicator can be offset against an over-performing indicator

	Variable portion €0 ³	Variable portion 85% of €88,000 ³	Variable portion 110% of €88,000 ³
EBITDA indicator	P < 95% of budgeted EBITDA	P = 100% of budgeted EBITDA	P ≥ 110% of budgeted EBITDA
NIGS ¹ indicator	P < 90% of budgeted NIGS	P = 100% of budgeted NIGS	P ≥ 110% of budgeted NIGS
FCF ² indicator	P < 95% of budgeted FCF	P = 100% of budgeted FCF	P ≥ 110% of budgeted FCF

1. Net income, Group share.

2. Operating free cash flow.

3. Linear interpolation between these three points.

At its meeting on 4 March 2014, the Board of Directors, deciding on the basis of the recommendations of the Nomination and Remuneration Committee and the consolidated financial statements for the year ended 31 December 2013 approved by it, noted the achievement of each of the three quantitative objectives set for Jacques Pétry in respect of said financial year and therefore allocated to him variable remuneration totalling €264,000 in accordance with said objectives.

Calculation of the amount to be allocated in respect of the qualitative indicators and total amount of the variable portion

At its meeting on 4 March 2014, the Board of Directors, deciding on the basis of the recommendations of the Nomination and Remuneration Committee and the consolidated financial statements for the year ended 31 December 2013 approved by it, noted the achievement of all the qualitative objectives set for Jacques Pétry in respect of said financial year and therefore allocated to him variable remuneration totalling €136,000 in accordance with said objectives.

Given the achievement of all the objectives, both quantitative and qualitative, set for Jacques Pétry in respect of the 2013 financial year, the total amount of the variable portion of his remuneration approved by the Board of Directors in accordance with the recommendations of the Nomination and Remuneration Committee totalled €400,000, i.e. 100% of the fixed portion of his remuneration for said financial year.

Benefits in kind, welfare and pension benefits

Jacques Pétry's benefits in kind in respect of the 2013 financial year corresponded to:

- the value of the provision of a company car;
- the payment by the Company of the contributions in respect of the insurance cover for company managers and executives (*Garantie Sociale des Chefs et Dirigeants d'Entreprise - GSC*); and
- the excess contributions to the welfare plan, disallowed for tax purposes.

In respect of the 2013 financial year, Jacques Pétry was, by assimilation, a member of the insurance welfare plan (covering healthcare, incapacity, disability and death) and the AGIRC-ARRCO mandatory collective supplementary pension plan, on the same basis as all the Company's employees categorised as executive staff. He did not benefit, for the 2013 financial year, from any other supplementary defined benefit or defined contribution pension plan.

2014 financial year

At its meeting on 4 March 2014, the Board of Directors, on the basis of the recommendations of the Nomination and Remuneration Committee, approved Jacques Pétry's remuneration package for the 2014 financial year.

In this regard, the Board of Directors:

- set at €430,000 the amount of the fixed portion of Jacques Pétry's remuneration for the 2014 financial year, i.e. a 7.5% increase over the fixed portion of the remuneration approved in 2011 and remained unchanged since then;
- decided to adopt the same principles for determining the variable portion of Mr Pétry's remuneration as those applied in respect of the 2013 financial year:
 - the maximum amount of the variable portion of Jacques Pétry's remuneration was set at €430,000, i.e. 100% of the amount of the fixed portion of his remuneration;
 - receipt of the variable portion of Jacques Pétry's remuneration and the calculation of its amount are dependent upon the achievement of quantitative objectives linked to the EBITDA, net income, Group share, and operating free cash flow budgeted for the financial year and of the qualitative objectives set for him by the Board of Directors at its meeting on 4 March 2014;
- decided to retain the mechanism for calculating the variable portion of Jacques Pétry's remuneration, which will therefore be, for the 2014 financial year, identical to the mechanism detailed above for the 2013 financial year.

Benefits in kind, welfare and pension benefits

At its meeting on 4 March 2014, the Board of Directors decided, in respect of the 2014 financial year, to adopt the same principles for determining Jacques Pétry's benefits in kind as those applied in respect of the 2013 financial year. It also confirmed his membership of the healthcare, accident and death insurance scheme from which all the Company's executive staff benefit, and the AGIRC-ARRCO mandatory collective supplementary pension plan to which all the Company's executive staff belong. Finally, the Board noted Jacques Pétry's membership of the mandatory collective supplementary pension plan, to which all the Company's staff belong.

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2.3. Remuneration received by corporate officers

2.3.3. DIRECTORS' FEES AND OTHER REMUNERATION RECEIVED BY NON-EXECUTIVE CORPORATE OFFICERS

<i>In thousands of euros</i> ¹	2013		2012	
	Amounts due ²	Amounts paid ³	Amounts due ²	Amounts paid ³
Jean-Carlos Angulo ⁴	13.48	–	–	–
Directors' fees	13.48	–	–	–
Other remuneration	–	–	–	–
Michel Bleitrach	50.00	50.00	50.00	24.22
Directors' fees	50.00	50.00	50.00	24.22
Other remuneration	–	–	–	–
Patrick de Giovanni	–	–	–	–
Directors' fees	–	–	–	–
Other remuneration	–	–	–	–
Financière Hélios	–	–	–	–
Directors' fees	–	–	–	–
Other remuneration	–	–	–	–
Myriam Maestroni ⁵	23.58	22.24	22.24	12.11
Directors' fees	23.58	22.24	22.24	12.11
Other remuneration	–	–	–	–
Michèle Remillieux ⁶	13.48	–	–	–
Directors' fees	13.48	–	–	–
Other remuneration	–	–	–	–
Maurice Tchenio	–	–	–	–
Directors' fees	–	–	–	–
Other remuneration	–	–	–	–
Daniel Valot ⁷	13.48	–	–	–
Directors' fees	13.48	–	–	–
Other remuneration	–	–	–	–
Xavier Lencou-Barème ⁸	120.00	120.00	120.00	120.00
Directors' fees	–	–	–	–
Other remuneration ⁹	120.00	120.00	120.00	120.00
Guy Rico ¹⁰	9.50	24.22	24.22	22.57
Directors' fees	9.50	24.22	24.22	22.57
Other remuneration	–	–	–	–
Jean Stern ¹¹	9.50	24.22	24.22	24.22
Directors' fees	9.50	24.22	24.22	24.22
Other remuneration	–	–	–	–
Sub-total: directors' fees	133.03	120.68	120.68	83.12
Sub-total: other remuneration	120.00	120.00	120.00	120.00
Total	253.03	240.68	240.68	203.12

1. Directors' fees are presented on a gross, pre-tax basis.

2. Directors' fees due in respect of the performance of the duties of Director from 1 January to 31 December of the financial year concerned.

3. Directors' fees actually paid between 1 January and 31 December of the financial year concerned. The directors' fees due in respect of a financial year are paid during the following financial year.

4. Jean-Carlos Angulo, who was not a Director of the Company in 2012, carried out his duties as a Director in 2013 only as from his appointment at the Ordinary and Extraordinary General Meeting of 30 May 2013.

5. Myriam Maestroni carried out her duties as a Director in 2012 only as from her provisional appointment resulting from the Board of Directors' decision of 25 January 2012.

6. Michèle Remillieux, who was not a Director of the Company in 2012, carried out her duties as a Director in 2013 only as from her appointment at the Ordinary and Extraordinary General Meeting of 30 May 2013.

7. Daniel Valot, who was not a Director of the Company in 2012, carried out his duties as a Director in 2013 only as from his appointment at the Ordinary and Extraordinary General Meeting of 30 May 2013.

8. Xavier Lencou-Barème carried out his duties as a Director in 2013 only until the expiry of his term of office at the close of the Ordinary and Extraordinary General Meeting of 30 May 2013.

9. Remuneration paid in respect of his duties as an employee to Xavier Lencou-Barème, the Company Secretary until 30 May 2013, then Adviser to the Chairman as from that date.

10. Guy Rico carried out his duties as a Director in 2013 only until the expiry of his term of office at the close of the Ordinary and Extraordinary General Meeting of 30 May 2013.

11. Jean Stern carried out his duties as a Director in 2013 only until the expiry of his term of office at the close of the Ordinary and Extraordinary General Meeting of 30 May 2013.

Further information on the directors' fees paid to the non-executive corporate officers

At the Ordinary and Extraordinary General Meeting of 30 May 2013 the shareholders finally set the total amount of the directors' fees that could be apportioned between the Directors at €140,000 for the 2013 financial year, and at €150,000 for subsequent financial years. Previously set at €125,000 at the Ordinary and Extraordinary General Meeting of 14 March 2012, this upper limit was thus raised to take into account the new composition of the Board of Directors, determined by the Board itself, which increased the number of independent Directors to five (compared with four prior to the increase).

At its meeting on 30 May 2013, the Board of Directors decided to continue to apply the procedures for apportioning the total amount of directors' fees that it had laid down at its meeting on 18 January 2012:

- only independent Directors may receive directors' fees;
- the Deputy Chairman of the Board of Directors, who is also Chairman of the Commitments and Monitoring Committee and a member of the Audit, Accounts and Risks Committee, receives a flat-rate amount in respect of directors' fees of €50,000 per financial year;
- the allocation of directors' fees to the other independent Directors results from the application of the following rules:
 - the fixed portion, which is conditional upon membership of at least one specialised Committee of the Board of Directors, is €18,440 for a full year, calculated on a pro-rata basis in the event of a Director holding office for part only of the financial year;
 - the variable portion of €5,780 is weighted on the basis of the number of Board of Directors' meetings attended by the Director concerned as a proportion of the total number of Board meetings held during the financial year.

At its meeting on 4 March 2014, the Board of Directors reviewed the remuneration packages of the independent Directors in light of:

- the new provisions of the AFEP/MEDEF Code recommending that the variable portion of the directors' fees paid to the Directors should be much more substantial than the fixed portion of such fees;
- market practices.

In accordance with the Nomination and Remuneration Committee's recommendations, the Board of Directors decided to submit to the Ordinary and Extraordinary General Meeting 27 May 2014 a proposed 10% rise in the total amount of the directors' fees to be apportioned between the Directors, thereby increasing this amount from €150,000 to €165,000 for the 2014 and subsequent financial years.

At the same time, the Board of Directors amended as follows the procedures for apportioning this increased amount between its members as from the 2014 financial year:

- as was previously the case, only the independent Directors will receive directors' fees;

- the independent Directors will receive, by way of directors' fees, a flat-rate portion, calculated on a pro-rata basis in the event of a director holding office for part only of the financial year:
 - of €12,000 per financial year for the independent Directors other than the Deputy Chairman of the Board of Directors, said fixed portion being conditional upon membership of at least one of the Board of Directors' specialised Committees;
 - of €39,500 per financial year for the Deputy Chairman of the Board of Directors, who is also Chairman of the Commitments and Monitoring Committee and a member of the Audit, Accounts and Risks Committee;
- the independent Directors will receive, by way of directors' fees, a variable portion of a maximum amount of €15,500 per financial year, adjusted on the basis of the number of Board of Directors' meetings actually attended during the financial year as a proportion of the total number of Board meetings during the financial year.

The same rules will be applied, subject to the necessary mathematical adjustments, in the absence of an increase in the total amount of directors' fees to be apportioned between the independent Directors.

2.3.4. OPTIONS TO SUBSCRIBE OR PURCHASE SHARES

The following information, together with the information disclosed in section 7.4.2 on page 194 of this Registration Document, constitutes the Report of the Board of Directors required by Article L. 225-184 of the French Commercial Code.

2.3.4.1. Options to subscribe or purchase shares allotted during the 2013 financial year to each corporate officer by the Company or by any Group Company

None.

2.3.4.2. Options to subscribe or purchase shares exercised during the 2013 financial year by each corporate officer

None.

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2.3. Remuneration received by corporate officers

2.3.4.3. Record of allotments of options to subscribe or purchase shares

		As % of share capital at 31/12/2013
Date of General Meeting	18/05/2010	
Date of Board of Directors' meeting	27/08/2010	
Total number of initial beneficiaries	82	
Total number of options allotted	190,000	0.65%
Total number of shares that may be subscribed	190,000	0.65%
of which by the top ten employees who are not corporate officers	68,000	0.23%
of which by the corporate officers	33,500	0.11%
• Nordine Hachemi (Chairman and Chief Executive Officer until 21/10/2011)	30,000	0.10%
• Jacques Pétry (Chairman and Chief Executive Officer since 21/10/2011)	–	–
• Xavier Lencou-Barème (Director until 30/05/2013)	3,500	0.01%
Option exercise start date	28/08/2014	
Expiry date	28/08/2017	
Subscription price (in euros) ¹	21.31	
Exercise procedures ²	See note 2	
Number of shares subscribed as at 31/12/2013	–	–
of which by the top ten employees who are not corporate officers	–	–
of which by the corporate officers	–	–
• Nordine Hachemi (Chairman and Chief Executive Officer until 21/10/2011)	–	–
• Jacques Pétry (Chairman and Chief Executive Officer since 21/10/2011)	–	–
• Xavier Lencou-Barème (Director until 30/05/2013)	–	–
Total number of cancelled or lapsed stock-options as at 31/12/2013	88,300	0.30%
of which by the top ten employees who are not corporate officers	33,000	0.11%
of which by the corporate officers	30,000	0.10%
• Nordine Hachemi (Chairman and Chief Executive Officer until 21/10/2011) ³	30,000	0.10%
• Jacques Pétry (Chairman and Chief Executive Officer since 21/10/2011)	–	–
• Xavier Lencou-Barème (Director until 30/05/2013)	–	–
Number of options to subscribe or purchase shares still to be exercised as at 31/12/2013	101,700	0.35%
of which by the top ten employees who are not corporate officers	35,000	0.12%
of which by the corporate officers	3,500	0.01%
• Nordine Hachemi (Chairman and Chief Executive Officer until 21/10/2011)	–	–
• Jacques Pétry (Chairman and Chief Executive Officer since 21/10/2011)	–	–
• Xavier Lencou-Barème (Director until 30/05/2013)	3,500	0.01%

1. Arithmetic average of the last traded price of the Albioma (then Séchilienne-Sidec) share for the 20 trading days preceding the allotment date.

2. The exercise of options by all beneficiaries is subject to a performance condition relating to the change in the installed capacity of the Group's photovoltaic fleet: the installed capacity of the photovoltaic fleet of the Company and its subsidiaries, as at 31 December 2011, must have increased by at least 30% per annum compared to the fleet capacity as at 31 December 2009. This condition was met as at 31 December 2011.

3. The Board of Directors, having removed Nordine Hachemi from office as Chairman and Chief Executive Officer due to a strategic disagreement, recorded, at its meeting on 12 October 2011, the cancellation of the 30,000 stock-options that had been allotted to him.

Further information on the share subscription and share purchase option plans for corporate officers

The table above shows only data relating to the stock-option plans still in effect as at 31 December 2013, i.e. the plan set up as a result of the resolutions adopted at the Ordinary and Extraordinary General Meeting of 18 May 2010 (Board of Directors' meeting of 27 August 2010), under the terms of which a maximum of 200,000 subscription options can be allotted (each option entitles its holder to one share, so, if exercised, these options would represent 0.65% of the share capital at 31 December 2013).

As regards the stock-option plans set up as a result of the resolutions adopted at the Ordinary and Extraordinary General Meeting of 18 December 2001 (Board of Directors' meetings of 2 September 2002 and 11 December 2003), all the options were exercised during the exercise period running from 11 December 2007 to 11 February 2010. As regards the stock-option plan set up as a result of the resolutions adopted at the General Meeting of 27 May 2005 (Board of Directors' meeting of 13 December 2005), some of the options were exercised during the exercise period running from 13 December 2009 to 13 December 2012 and all of the unexercised options were cancelled on 13 December 2012.

Details of the characteristics of the stock-option plan set up as a result of the resolutions adopted at the Ordinary and Extraordinary General Meeting of 18 May 2010 (Board of Directors' meeting of 27 August 2010) are provided in section 7.4.2.1 on page 195 of this Registration Document.

2.3.5. ALLOTMENTS OF BONUS SHARES

The following information, together with the information disclosed in section 7.4.3 on page 195 of this Registration Document, constitutes the Report of the Board of Directors required by Article L. 225-197-4 of the French Commercial Code.

2.3.5.2. Bonus shares vesting during the 2013 financial year for each corporate officer

None.

2.3.5.1. Bonus shares allotted during the 2013 financial year to each corporate officer

None.

2.3.5.3. History of allotments of bonus shares

		As % of share capital at 31/12/2013
Date of General Meeting	14/03/2012	
Date of Board of Directors' meeting	From 26/07/2012 to 17/12/2013 ¹	
Total number of initial beneficiaries	81	
Total number of bonus shares allotted²	709,400	2.43%
of which to the top ten employees who are not corporate officers	220,000	0.75%
of which to the corporate officers	240,000	0.82%
• Jacques Pétry (Chairman and Chief Executive Officer since 21/10/2011)	225,000	0.77%
• Xavier Lencou-Barème (Director until 30/05/2013)	15,000	0.05%
Date of effective acquisition of the shares ³	See note 3	
Date of end of lock-in period ⁴	See note 4	
Number of shares effectively acquired as at 31/12/2013	–	–
of which by the top ten employees who are not corporate officers	–	–
of which by the corporate officers	–	–
• Jacques Pétry (Chairman and Chief Executive Officer since 21/10/2011)	–	–
• Xavier Lencou-Barème (Director until 30/05/2013)	–	–
Total number of cancelled or lapsed shares as at 31/12/2013	19,000	0.07%
of which for the top ten employees who are not corporate officers	–	–
of which for the corporate officers	–	–
• Jacques Pétry (Chairman and Chief Executive Officer since 21/10/2011)	–	–
• Xavier Lencou-Barème (Director until 30/05/2013)	–	–
Number of shares remaining as at 31/12/2013	690,400	2.37%
of which for the top ten employees who are not corporate officers	–	–
of which for the corporate officers	240,000	0.82%
• Jacques Pétry (Chairman and Chief Executive Officer since 21/10/2011)	225,000	0.77%
• Xavier Lencou-Barème (Director until 30/05/2013)	15,000	0.05%

1. The allotments were decided on the basis of a single plan at the Board of Directors' meetings of 26 July 2012 (616,400 shares), 28 November 2012 (1,000 shares), 17 January 2013 (4,500 shares), 18 March 2013 (3,500 shares), 30 May 2013 (2,000 shares), 23 July 2013 (12,500 shares), 24 September 2013 (54,500 shares) and 17 December 2013 (15,000 shares).

2. The shares are to be allotted in three equal tranches. Different performance conditions must be met for the shares within each tranche to be effectively acquired.

3. Effective acquisition of the shares allotted on 26 July 2012 is subject to the following performance conditions being met (further information is provided in section 7.4.3.1 on page 196 of this Registration Document):

- achievement, at any time during a six-month period to run from the second anniversary of the allotment date, of a six-month moving average end-of-day Albioma share price of at least €18.50 for the first tranche, €22.50 for the second tranche and €26.50 for the third tranche; in such circumstances, the shares are acquired on the date on which, for each tranche allotted, the six-month moving average end-of-day Albioma share price during said period is achieved;

- completion, at any time during a period of two years and six months to run from the allotment date, of a takeover involving the acquisition of all the Company's share capital and voting rights, if the price offered per share is at least €18.50 for the first tranche, €22.50 for the second tranche and €26.50 for the third tranche; in such circumstances, the shares are acquired on the later of the following two dates: the date of the last settlement-delivery transaction in connection with the takeover and the expiry of a two-year period from the allotment date.

Effective acquisition of the bonus shares allotted to the Chairman and Chief Executive Officer is not subject to the obligation to acquire a pre-determined number of the Company's shares in the market.

Given the amendments made by the Board of Directors at its meeting on 17 December 2013 to the regulations governing the bonus share plan, which were accepted by each beneficiary concerned at the beginning of the 2014 financial year, effective acquisition of the shares allotted after 26 July 2012 is subject to the following performance conditions being met (further information is provided in section 7.4.3.1 on page 196 of this Registration Document):

- achievement, at any time during the period running from 26 July 2014 to 26 January 2015, of a six-month moving average end-of-day Albioma share price of at least €18.50 for the first tranche, €22.50 for the second tranche and €26.50 for the third tranche; in such circumstances, the shares are acquired on the later of the following two dates: the date on which, for each tranche allotted, the six-month moving average end-of-day Albioma share price during said period is achieved, and the expiry of a two-year period from the allotment date;

- completion, at any time during the period running from the allotment date to 26 January 2015, of a takeover involving the acquisition of all the Company's share capital and voting rights, if the price offered per share is at least €18.50 for the first tranche, €22.50 for the second tranche and €26.50 for the third tranche; in such circumstances, the shares are acquired on the later of the following two dates: the date of the last settlement-delivery transaction in connection with the takeover and the expiry of a two-year period from the allotment date.

4. Two years as from the date of effective acquisition of the shares, although the Chairman and Chief Executive Officer is subject to the additional obligation of retaining in registered form 25% of the shares effectively acquired, until the expiry of his term of office.

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2.3. Remuneration received by corporate officers

Further information on the bonus share plan for corporate officers

The table above shows only data relating to the bonus share plans still in effect as at 31 December 2013, i.e., the plan set up as a result of the resolutions adopted at the Ordinary and Extraordinary General Meeting of 14 March 2012 (Board of Directors' meetings of 26 July 2012, 28 November 2012, 17 January 2013, 18 March 2013, 26 July 2013, 24 September 2013 and 17 December 2013), under the terms of which a maximum of 810,000 bonus shares can be allotted, i.e. 2.78% of the share capital at 31 December 2013.

The bonus share plan set up as a result of the resolutions adopted at the Ordinary and Extraordinary General Meeting of 16 June 2009 (Board of Directors' meetings of 28 August 2009, 25 January 2010, 28 July 2010 and 21 October 2011) was, as at 31 December 2012, cancelled in full (145,136 bonus shares allotted to Nordine Hachemi were cancelled by the Board of Directors at its meeting of 21 October 2011 when he was removed from office due to strategic differences, 121,330 bonus shares allotted were cancelled as a result of the departure of 13 employees who had received their shares between the allotment date and 31 December 2012, and the 141,650 remaining bonus shares were expressly and irrevocably waived by the 37 employees to whom they had been allotted when they accepted the benefit of the bonus share plan set up as a result of the decision taken at the Ordinary and Extraordinary General Meeting of 14 March 2012).

Details of the characteristics of the stock-option plan set up as a result of the resolutions adopted at the Ordinary and Extraordinary General Meeting of 14 March 2012 (Board of Directors' meetings of 26 July 2012, 28 November 2012, 17 January 2013, 18 March 2013, 26 July 2013, 24 September 2013 and 17 December 2013) are provided in section 7.4.3.1 on page 196 of this Registration Document. The following provisions apply in particular to the allotment made to the Chairman and Chief Executive Officer:

- the number of bonus shares that may be allotted to the Chairman and Chief Executive Officer is limited to 225,000, i.e. 2.78% of the total number of bonus shares that may be allotted;
- effective acquisition of the bonus shares allotted to the Chairman and Chief Executive Officer is not subject to the obligation to acquire a pre-determined number of the Company's shares in the market;
- the Chairman and Chief Executive Officer is required, in the event of the effective acquisition of bonus shares, to comply with an obligation to retain in registered form 25% of the number of shares effectively acquired until the expiry of his term of office; this obligation is in addition to the general obligation, which relates to all effectively acquired shares, to retain said shares for a period of two years as from the effective acquisition date.

2.3.6. CONTRACTS OF EMPLOYMENT, SUPPLEMENTARY PENSION PLANS, COMPENSATION OR BENEFITS OWED OR LIKELY TO BE OWED DUE TO TERMINATION OR EXPIRY OF A POSITION/OFFICE, OR A CHANGE OF POSITION/OFFICE, AND COMPENSATION UNDER A NON-COMPETE CLAUSE

	Contract of employment		Supplementary pension plan		Compensation or benefits owed or likely to be owed due to expiry, termination or a change of position/office		Compensation under a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Jacques Pétry								
Chairman and Chief Executive Officer								
Start of term of office: 21/10/2011		✓		✓ ²	✓ ³		✓ ⁴	
Date of most recent renewal: 30/05/2013								
Date term of office expires: 2017 GM ¹								

1. 2017 GM: term of office expiring at the close of the General Meeting to be held in 2017 to approve the financial statements for the 2016 financial year.

2. Jacques Pétry does not have a specific supplementary pension plan that has the characteristics of commitments governed by Article L. 225-42-1, paragraph 6 of the French Commercial Code. Jacques Pétry is a member, by assimilation, of the AGIRC-ARRCO mandatory collective supplementary pension plan, to which all the Company's executive staff belong and, since the 2014 financial year, of the mandatory collective supplementary pension plan, to which all the Company's staff belong.

3. Jacques Pétry could, under certain circumstances if he is removed from office as Chairman and Chief Executive Officer or as Chief Executive Officer or if his appointment is not renewed, receive a severance payment the terms and conditions of which are detailed below.

4. Jacques Pétry would, in the event that he is removed from office as Chairman and Chief Executive Officer or as Chief Executive Officer or if his appointment is not renewed, be subject to a non-compete obligation the terms and conditions of which are detailed below.

Further information on the severance payment likely to be paid to Jacques Pétry under certain circumstances if he is removed from office as Chief Executive Officer or as Chairman and Chief Executive Officer or if his appointment is not renewed and on the non-compete obligation to which he would be subject if he is removed from office as Chief Executive Officer or as Chairman and Chief Executive Officer or if his appointment is not renewed

In the event the Board of Directors decides to remove Jacques Pétry from office as Chief Executive Officer or as Chairman and Chief Executive Officer, or not to renew his appointment, he may be entitled to receive an all-inclusive severance payment, subject to certain performance conditions, unless he is removed for misconduct. He would also, in the event he is removed from office as Chief Executive Officer or as Chairman and Chief Executive Officer or his appointment is not renewed, be subject to a non-compete obligation.

Pursuant to a decision dated 21 October 2011, the Board of Directors, based on the recommendations of the Nomination and Remuneration Committee, determined the amount and the conditions of payment of this severance payment, as well as the terms and conditions of the aforementioned non-compete compensation. They were expressly approved by the shareholders in the seventh resolution of the Ordinary and Extraordinary General Meeting of 31 May 2012, called to approve the special report of the Statutory Auditors. The extract of the minutes of the aforementioned Board of Directors' meeting was published as required by Articles L. 225-42-1 and R. 225-34-1 of the French Commercial Code.

On the renewal of Jacques Pétry's term of office as a Director pursuant to resolutions adopted by the Ordinary and Extraordinary General Meeting of 30 May 2013, and the resulting renewal of his term of office as Chairman of the Board of Directors and Chief Executive Officer pursuant to the decisions taken by the Board of Directors on the same day, the Board of Directors, at its meeting held at the close of the aforementioned General Meeting, decided, based on the recommendations of the Nomination and Remuneration Committee, to reiterate the authorisation of the terms and conditions of said severance payment and the aforementioned non-compete obligation. The extract of the minutes of the aforementioned Board of Directors' meeting was published as required by Articles L. 225-42-1 and R. 225-34-1 of the French Commercial Code.

In addition, at its meeting on 4 March 2014, the Board of Directors decided, based on the recommendations of the Nomination and Remuneration Committee, to amend the terms and condition of the severance payment likely to be paid to Jacques Pétry to ensure that they comply with the provisions of the AFEP/-MEDEF Code, which recommends that the performance conditions on which such a payment would be based be assessed over at least two financial years.

At the General Meeting of 27 May 2014 the shareholders will be asked to vote, on the basis of the Statutory Auditors' special report, on the terms and conditions of said severance payment and the aforementioned non-compete obligation, given the Board of Directors' decision to reiterate the authorisation adopted at its meeting of 30 May 2013, and the aforementioned amendment decided at its meeting of 4 March 2014. Additional information on these matters is provided in the Board of Directors' report on the draft resolutions submitted to the shareholders for approval in section 8.2 on page 204 of this Registration Document.

The main terms and conditions of this severance payment and non-compete obligation are as set out below.

Maximum amount of severance payment

The maximum gross amount of the all-inclusive severance payment would be the total of the fixed remuneration, net of employer's social security contributions and GSC insurance premiums, received by Jacques Pétry over the six months prior to termination of his corporate office, plus the variable remuneration, net of employer's social security contributions and GSC insurance premiums, received (or owing) for the six months prior to termination of the corporate office.

Performance conditions

In accordance with Article L. 225-42-1 of the French Commercial Code, Jacques Pétry will only be entitled to receive the all-inclusive severance payment mentioned above if the amounts owed to him in connection with the variable portion of his remuneration in respect of the two financial years preceding his removal from office as Chief Executive Officer or as Chairman and Chief Executive Officer or the non-renewal of his appointment represent, on average, a percentage equal to or greater than 50% of the maximum possible variable portion that could be awarded in respect of said financial years.

Exception: departure for misconduct

Jacques Pétry will not be owed any all-inclusive severance payment in the event he is removed from office as Chief Executive Officer or Chairman and Chief Executive Officer, or his appointment is not renewed, as a result of:

- any wrongdoing or misconduct characterised under employment law as:
 - serious misconduct (*faute grave*), wherein the degree of seriousness derives from the deliberate nature of the misconduct and the seriousness – assessed in view of the size of the Group and its business activities – of the resulting consequences, or
 - gross misconduct (*faute lourde*), including in particular the intentional or repeated breach of limitations placed on his powers in the Memorandum and Articles of Association or by resolutions adopted by the shareholders at General Meetings, or any action constituting a criminal offence perpetrated personally by Jacques Pétry when a Group company is the victim or this could harm the Group's reputation;
- Jacques Pétry's failure to comply with any exclusivity and/or non-compete obligations incumbent upon him in connection with his corporate office.

Non-compete obligation

In the event severance pay is owed

In the event all-inclusive severance pay is owed under the aforementioned terms and conditions following Jacques Pétry's removal from office as Chief Executive Officer or Chairman and Chief Executive Officer or the non-renewal of his appointment, he would be bound by a non-compete obligation towards the Company in accordance with the terms and conditions set out below:

• **Validity**

The non-compete obligation would be valid for 12 months as from Jacques Pétry's effective departure date.

• **Jacques Pétry's obligations**

Under the terms of the non-compete obligation, Jacques Pétry would undertake, during the applicable period, not to do the following:

- work, in any form whatsoever (contract of employment, provision of services, corporate office or otherwise) for any company or enterprise whose business activities (main business activities in terms of turnover) compete with the business activities of the Albioma Group, as at the effective date of departure;

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2.3. Remuneration received by corporate officers

- acquire or hold a direct or indirect interest (with the exception of any interest that does not exceed five percent of the capital and voting rights of a listed company) in any company, enterprise or group whose business activities compete with the business activities of the Albioma Group, as at the effective date of departure;
- incite any customer, supplier or partner of the Company or the companies controlled directly or indirectly by the Company, within the meaning of Article L. 233-3 of the French Commercial Code, to break off or curtail its business relationship with the Albioma Group, or incite any prospective customer not to enter into a business relationship with the Albioma Group;
- hire any officer, senior manager or employee of the Company or any of the companies controlled directly or indirectly by the Company, within the meaning of Article L. 233-3 of the French Commercial Code, or incite any such officer, senior manager or employee to terminate his/her contract of employment or leave the Albioma Group.

- **Geographic area**

The aforementioned non-compete obligations shall apply to all areas in which the Albioma Group operates, as these may change between the date hereof and the effective date of Jacques Pétry's departure.

- **Amount of financial compensation**

Payment of the all-inclusive severance pay, the amount of which is stated above, will be made in lieu of any financial compensation for Jacques Pétry's non-compete obligation.

In the event severance pay is not owed

In the event severance pay is not owed following Jacques Pétry's departure as Chief Executive Officer or as Chairman and Chief Executive Officer (following his resignation, removal from office, non-renewal of his appointment or otherwise), Jacques Pétry would be bound towards the Company under a non-compete agreement, in accordance with the terms and conditions defined below.

- **Validity**

The non-compete obligation would be valid for 12 months as from Jacques Pétry's effective departure date.

- **Jacques Pétry's obligations**

The same as those that would apply in the event the all-inclusive severance pay is owed.

- **Geographic area**

The same as that over which the non-compete obligation would apply in the event the all-inclusive severance pay is owed.

- **Amount of financial compensation**

In the event severance pay is not owed, Jacques Pétry must receive gross compensation equal to the fixed remuneration, net of employer's social security contributions and GSC insurance premiums, received by Jacques Pétry over the six months prior to termination of his corporate office.

Right to waive the benefit of the non-compete obligation

The Company has the right, within a period of one month as from its decision to remove Jacques Pétry from office as Chief Executive Officer or Chairman and Chief Executive Officer, or not to renew his appointment, to waive the benefit of the aforementioned non-compete obligation.

2.3.7. SERVICE AGREEMENTS ENTERED INTO WITH THE CORPORATE OFFICERS

None.

2.3.8. SHAREHOLDERS' ADVISORY VOTE ON THE INDIVIDUAL REMUNERATION OF THE EXECUTIVE CORPORATE OFFICERS

In accordance with the recommendation of paragraph 24.3 of the AFEP/MEDEF Code most recently amended in June 2013, the shareholders will, at the General Meeting of 27 May 2014, be asked to give, in the form of an advisory vote, a favourable opinion on the components of the remuneration owing or awarded to the Chairman and Chief Executive Officer in respect of the 2013 financial year, details of which are provided above.

Summary information on the remuneration components to be voted on is provided in the Board of Directors' report on the draft resolutions to be voted on by the shareholders in section 8.2 on page 204 of this Registration Document.

In the event that the General Meeting votes against the resolution submitted to it, the Board of Directors, based on the recommendations of the Nomination and Remuneration Committee, shall discuss this matter at a future meeting and the Company shall immediately report the further action the Board of Directors intends to take in respect of this unfavourable opinion in a press release, which will be published on the Company's website.

2.4. Summary of transactions carried out in 2013 in the Company's shares by the corporate officers, their family and friends

2.4. Summary of transactions carried out in 2013 in the Company's shares by the corporate officers, their family and friends

Pursuant to Article 223-26 of the AMF's General Regulations, the table below summarises the transactions reported during the 2013 financial year by the corporate officers, their family and friends in accordance with Article L. 621-18-2 of the French Monetary and Financial Code.

Person reporting the transaction	Financial instrument	Type of transaction	Date of transaction	Place of execution	Price per share (in euros)	Amount (in euros)	Number of shares	AMF decision and information number
Jacques Pétry	Shares	Subscription ¹	05/07/2013	NYSE Euronext Paris	12.24	3,035.52	248	2013DD256963
	Shares	Subscription ¹	05/07/2013	NYSE Euronext Paris	12.24	110.16	9	2013DD256963
Individual linked to Jacques Pétry	Shares	Acquisition	01/08/2013	NYSE Euronext Paris	15.20	121,600.00	8,000	2013DD260005
Michel Bleitrach	Shares	Subscription ¹	05/07/2013	NYSE Euronext Paris	12.24	73.44	6	2013DD255842
Jean-Carlos Angulo	Shares	Acquisition	03/06/2013	NYSE Euronext Paris	14.84	10,385.55	700	2013DD250747
Patrick de Giovanni	Shares	Subscription ¹	05/07/2013	NYSE Euronext Paris	12.24	73.44	6	2013DD255493
Financière Hélios	Shares	Subscription ¹	05/07/2013	NYSE Euronext Paris	12.24	3,121,677.36	255,039	2013DD261840
Myriam Maestroni	Shares	Subscription ¹	05/07/2013	NYSE Euronext Paris	12.24	110.16	9	2013DD258471
Edgard Misrahi	Shares	Subscription ¹	05/07/2013	NYSE Euronext Paris	12.24	73.44	6	2013DD255497
Michèle Remillieux	Shares	Acquisition	04/03/2013	NYSE Euronext Paris	15.00	1,950.00	130	2013DD253501
	Shares	Acquisition	04/03/2013	NYSE Euronext Paris	14.69	3,966.30	270	2013DD253501
	Shares	Subscription ¹	05/07/2013	NYSE Euronext Paris	12.24	36.72	3	2013DD268466
Maurice Tchenio	Shares	Subscription ¹	05/07/2013	NYSE Euronext Paris	12.24	73.44	6	2013DD255499
	Shares	Acquisition	29/08/2013	NYSE Euronext Paris	15.28	1,986,400.00	130,000	2013DD262460
Daniel Valot	Shares	Acquisition	07/06/2013	NYSE Euronext Paris	15.12	6,048.00	400	2013DD250748
	Shares	Subscription ¹	05/07/2013	NYSE Euronext Paris	12.24	73.44	6	2013DD257007

1. Payment in shares of 50% of the dividend for the 2012 financial year.

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2.5. AFEP/MEDEF Code recommendations not applied by the Company as at 31 december 2013

2.5. AFEP/MEDEF Code recommendations not applied by the Company as at 31 December 2013

AFEP/MEDEF Code recommendations	Company's explanations
<p data-bbox="118 405 655 427">Fixed part of executive corporate officers' remuneration</p> <p data-bbox="118 454 655 528">§ 23.2.2. of the AFEP/MEDEF Code: "[...] In principle, such fixed compensation may only be reviewed at relatively long intervals, e.g. every three years."</p>	<p data-bbox="687 405 1447 741">The fixed portion, like the variable portion of the Chairman and Chief Executive Officer's remuneration, is reviewed annually, which may result in a change to the fixed portion of the remuneration. This annual review is, however, largely linked to the review of the Chairman and Chief Executive Officer's performance during the last financial year, which enables the Board of Directors to determine the amount of the variable portion of his remuneration with regard to the objectives set for the Chairman and Chief Executive Officer at the start of the last financial year, and to the setting of objectives on which will be based the variable portion of his remuneration for the current financial year. In practice, the annual review of the Chairman and Chief Executive's remuneration has resulted in the Board of Directors maintaining the fixed portion of the Chairman and Chief Executive's remuneration and the maximum possible variable portion of his remuneration at the same level for the 2011, 2012 and 2013 financial years, i.e. for a three-year period.</p> <p data-bbox="687 748 1447 797">Further information is provided in section 2.3.2 on page 61 of this Registration Document.</p>
<p data-bbox="118 837 655 860">Stock-options and performance shares</p> <p data-bbox="118 887 655 1066">§ 23.2.4. of the AFEP/MEDEF Code: "Furthermore, it is necessary to ensure that, [...] in accordance with terms determined by the Board and announced at the time of the award, the performance shares awarded to executive corporate officers are conditional upon the acquisition of a defined quantity of shares once the awarded shares are available."</p>	<p data-bbox="687 837 1447 1099">The allotment of bonus performance shares to the Chairman and Chief Executive Officer resulting from the decisions made by the Board of Directors at its meeting on 26 July 2012 is not conditional upon the acquisition of a defined quantity of shares when the bonus shares are effectively acquired. The Company considers that the commitment given by the Chairman and Chief Executive Officer to retain in registered form, until the expiry of his term of office, 25% of the shares effectively acquired in connection with this allotment constitutes a mechanism whose effect is equivalent to the AFEP/MEDEF Code's recommendation, and which will act as an incentive for the Chairman and Chief Executive Officer to take a long-term approach.</p> <p data-bbox="687 1106 1447 1155">Further information is provided in section 2.3.5.3 on page 67 of this Registration Document.</p> <p data-bbox="687 1167 1447 1290">In addition, in 2011 and 2012 the Chairman and Chief Executive Officer, on his own initiative, acquired a significant number of the Company's shares, which he still retains. The number of shares held by the Chairman and Chief Executive Officer as at 31 December 2013 is disclosed in section 2.2.3.1 on page 37 of this Registration Document.</p>
<p data-bbox="118 1330 655 1352">Stock-options and performance shares</p> <p data-bbox="118 1379 655 1637">§ 23.2.4. of the AFEP/MEDEF Code: "[...] The exercise by executive corporate officers of all of the options and the acquisition of the shares must be related to serious and demanding performance conditions that are to be met over a period of several consecutive years. These conditions may be internal and/or external performance requirements, i.e. related to the performance of other companies, a benchmark sector, etc. Where it is possible and relevant, these internal and external performance requirements are combined."</p>	<p data-bbox="687 1330 1447 1671">The achievement of thresholds based on the six-month moving average end-of-day share price over a defined period and the completion of a takeover involving the acquisition of all the Company's share capital and voting rights are the only criteria governing the effective acquisition of the bonus shares allotted to the Chairman and Chief Executive Officer by the Board of Directors at its meeting on 26 July 2012. These performance conditions, although serious and demanding and to be met over a period of several consecutive years, are not supplemented by internal performance conditions specific to the Company or by external performance conditions related to the performance of other companies or a benchmark sector. The Company considers however that, given the Group's activity and its positioning, the meeting of performance conditions thus defined, relating exclusively to the market, is the only way to reflect the market's objective assessment of the Group's economic and financial position and its outlook.</p> <p data-bbox="687 1677 1447 1727">Further information is provided in section 2.3.5.3 on page 67 of this Registration Document.</p>

2.6. Internal control and risk management procedures implemented by the Company

2.6. Internal control and risk management procedures implemented by the Company

The following overview forms an integral part of the Board of Directors' Report prepared pursuant to Article L. 225-37 of the French Commercial Code (further information is provided in section 2.1.2 on page 32 of this Registration Document).

In drafting the Chairman's report, the Company relied on the guide for small- and mid-caps on the implementation of the AMF's internal control and risk management reference framework, last updated on 22 July 2010.

2.6.1. DEFINITION AND OBJECTIVES OF INTERNAL CONTROL AND RISK MANAGEMENT

The Company's internal control system applies to the Company and to all its fully-consolidated subsidiaries and to some of its subsidiaries consolidated using the equity method. Its objectives are to ensure that:

- the day-to-day implementation of the strategy defined by the Board of Directors, translated into economic and financial objectives, is carried out in accordance with applicable laws and regulations;
- the strategic orientations defined by the Board of Directors are converted by General Management into effectively implemented action plans;
- the internal processes, in particular those that help to safeguard the Group's assets, operate in a satisfactory manner;
- the Group's financial and accounting information is accurate, reliable and fairly presented.

The internal control system incorporates a risk management system, whose objectives are to:

- create and maintain the Group's values, assets and reputation;
- ensure the Group's decision making and processes are secure with a view to helping it to achieve its objectives;
- ensure the Group's actions are consistent with its values;
- mobilise the Group's employees around a common vision of the main risks and increase their awareness of the risks inherent in their activity.

By helping to prevent and control the risks to which the Group is exposed in the day-to-day implementation of its strategy, the internal control system contributes to the management of the Group's activities, the effectiveness of its operations and the efficient use of its resources.

However, the internal control and risk management systems, no matter how well they are designed and applied, cannot provide an absolute guarantee that the Group's objectives will be achieved. Any system or process has inherent limitations that may result from uncertainties in the external operating, economic and financial environment, the use of judgment or problems that may arise from technical and human failures or from ordinary error; risk management choices are made, ultimately, by weighing the benefits against the costs incurred.

The internal control system is based on a rational and effective Group **structure**, within which the internal control **staff** are identified with a view to managing the **risk management system** and the **internal control procedures**.

2.6.2. GROUP STRUCTURE

In 2013, the Group continued the process extensively implemented in 2012 to rationalise its structure, in line with the roll-out of the strategy of highly efficient production of energy from all forms of biomass presented to the Ordinary and Extraordinary General Meeting of 14 March 2012. This process had, in 2012, resulted in the Group doing away with the "operational divisions with geographical purview", whose heads covered both operations and development of all Group businesses in their respective regions, in favour of a structure clearly separating the business units, development and support services.

The sale of its Wind Power business, the integration of the Anaerobic Digestion activity and the deployment of the strategy in Brazil caused the Group to change its structure to ensure efficiency.

In 2013, the Group was structured around three operating divisions covering geographical areas mainland France and South Europe (mainland France, Italy and Spain), West Indies (Guadeloupe, Martinique and French Guyana) and Indian Ocean (Reunion, Mayotte and Mauritius):

- Thermal Biomass;
- Solar Power;
- Anaerobic Digestion.

Within the framework of the development of the Thermal Biomass business in Brazil, dedicated resources have been allotted locally, reporting to one of the two Chief Operating Officers of the Group.

The centralised support services have been strengthened and the Group has continued its efforts towards rationalising their structure around the following Departments:

- Purchasing and Maintenance Department;
- Technical and Construction Department and Industry and Innovation Department;
- Administrative and Financial Department, including the Contracts and Legal Affairs Department, the Accounting Department and the Management Control Department;
- Environmental and Social Responsibility Department;
- Human Resources Department;
- Information Systems Department;
- Company Secretariat.

The Chairman and Chief Executive Officer, the two Chief Operating Officers and the Chief Financial Officer form the General Management Committee. A larger body – the Executive Committee – comprises, in addition to the members of the General Management Committee, the main Heads of Corporate Development and Heads of Centralised Support Services.

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2.6. Internal control and risk management procedures implemented by the Company

2.6.3. RESPONSIBILITY FOR INTERNAL CONTROL

Although certain designated employees have been given responsibility for the Group's internal control procedures, all employees have a part to play. For an internal control system to be effective, it is vital that all employees are made aware of the Group's values and culture of commitment. Various top-down communication methods are used to achieve this: seminars (e.g. seminars for Executive Committee members, for senior management and for operational staff) and the regular circulation of an internal newsletter to all employees, providing them with important information on the latest developments within the Group and progress on implementing its strategy. All employees are therefore able, regardless of their position, to ensure that their actions, on a day-to-day basis, are at all times consistent with the Group's values and strategy.

The following bodies responsible for internal control procedures are:

- the Board of Directors and its specialised committees, whose operating methods and main tasks are described in section 2.2.4 on page 47 of this Registration Document;
- General Management, the General Management Committee and the Executive Committee;
- the Administrative and Financial Department and the other functional departments.

The Group is committed to a continuous improvement initiative involving the strengthening of its current system for delegating powers, which enables the duties and responsibilities of all the relevant parties to be defined clearly and precisely.

2.6.3.1. The Board of Directors and its specialised committees

The Board of Directors has ultimate control over General Management's implementation of the Group's strategy. It is assisted by the work of its specialised committees. By authorising structuring projects, it ensures the continuing implementation of its strategy in a manner that is consistent with the levels of risk and profitability that it, together with General Management, has deemed to be acceptable.

The Board of Directors is responsible for the ongoing monitoring of the Group's operating performance and financial position, progress on projects and the main environmental and social responsibility indicators, based on the work of the Commitments and Monitoring Committee, which reviews the monthly reporting packages drawn up by the Administrative and Financial Department.

In collaboration with the Audit, Accounts and Risks Committee and the Environmental and Social Responsibility Committee, the Board of Directors also plays a major role in the monitoring of the risk management process. The Audit, Accounts and Risks Committee regularly reviews the effectiveness of the internal control systems and risk mapping, in collaboration with the Environmental and Social Responsibility Committee in the case of environmental and social risks.

2.6.3.2. General Management

General Management is responsible for implementing the strategy defined by the Board of Directors and, in this regard, for the proper functioning of the internal control and risk management system it implements, taking into account the objectives defined by the Board of Directors.

As regards short-term matters, General Management ensures the Group's operations are carried out smoothly, monitors achievement of objectives, prescribes any corrective actions deemed necessary and verifies their implementation in conjunction with action plans it is responsible for implementing.

As regards longer term matters, General Management also plays a major role in disseminating the Group's values and strategic directions.

2.6.3.3. The General Management Committee

The General Management Committee meets on a weekly basis, which enables it to monitor all events of significance to the Company in real time and to react promptly if necessary. The Committee is also a forum for analysis, reflection and discussion on cross-functional matters with a view to formulating action plans to be implemented by the operational departments and the centralised support services departments.

2.6.3.4. The Executive Committee

The Executive Committee meets on a monthly basis. It is the mainstay of the Group's systems for sharing information and disseminating its strategy and values. It is informed each month, via the monthly reporting packages drawn up by the Administrative and Financial Department, of progress on projects, operational performance of the Group's activities, its financial position and the main environmental and social responsibility indicators.

Executive Committee meetings provide an opportunity to share the action plans drawn up by General Management and the General Management Committee and, where relevant, to amend such action plans on the basis of the shared information.

2.6.3.5. The Administrative and Financial Department and the other functional departments

The Administrative and Financial Department, which oversees the Accounting, Management Control and Contracts and Legal Affairs Departments, is responsible, in particular, for the accuracy, reliability and fair presentation of the accounting and financial information it produces.

It is also responsible, in conjunction with the Executive Committee, the Commitments and Monitoring Committee and the Board of Directors, for producing the monthly reporting package, which forms the basis for the ongoing monitoring of the Group's activities.

All the other functional departments are involved in implementing the internal control system. The following Departments in particular are, via their day-to-day actions, crucial to the achievement of the system's objectives:

- the Contracts and Legal Affairs Department, by ensuring, in particular, the legal security of operations;
- the Human Resources Department, by ensuring that the Group's operations are carried out in accordance with the legislative and regulatory provisions applicable to the Group and those of its Memorandum and Articles of Association, by regularly ensuring that the Group's human resources are suitable for its needs, by helping to draw up succession plans and by ensuring employees receive an adequate level of training to enable them to fulfil their duties;
- the Information Systems Department, by ensuring that the Group's information systems offer a level of security that is adequate to guarantee data integrity and retention;
- the Technical and Construction Department, the Industry and Innovation Department and the Purchasing and Maintenance Department, whose actions are vital for preserving the value of the Group's assets;
- the Environmental and Social Responsibility Department, which is responsible for monitoring the compliance of the Group's operations with environmental requirements, the implementation of action plans to ensure compliance, and verifying the consistency of non-financial data communicated to the market;
- the Company Secretariat, which, in addition to the Secretariat of the Board of Directors and the specialised committees, is responsible for monitoring matters associated with company law and stock market ethics, assists the Administrative and Financial Department in the financial communication control process and is responsible for internal and regulatory communication.

2.6. Internal control and risk management procedures implemented by the Company

2.6.4. THE RISK MANAGEMENT PROCESS

In the performance of its day-to-day activities, the Group is exposed to a variety of risks. The main risk factors the Group faces and the main measures for controlling these risks are described in section 1.8 on page 20 of this Registration Document.

The Group attaches significant importance to identifying and understanding as fully as possible the various categories of risks to which it is exposed. A full understanding of the relevant risks will enable the Group to determine the human, technical, legal and financial measures required to prevent and deal with such risks.

In 2009, the Group initiated the introduction of a risk mapping system that provides it with a summary, standardised framework enabling it to identify the risks to which it is exposed, and to assess, in a matrix format, the likelihood of their occurrence and the magnitude of their impact. The Board of Directors, based on the work of the Audit, Accounts and Risks Committee, regularly reviews this risk mapping to ensure that it is comprehensive and that the action plans implemented by General Management as a result are effective.

The Group is committed to continuously improving the completeness and effectiveness of this risk mapping. In line with the work carried out by the Environmental and Social Responsibility Committee, the Group has introduced unified mapping incorporating environmental and social risks. The Environmental and Social Responsibility Committee is now involved, together with the Audit, Accounts and Risks Committee, in reviewing this unified risk mapping. As from the 2014 financial year, the process for identifying risks and defining preventative or corrective actions will require more significant involvement on the part of the operational managers, as part of a bottom-up approach enabling the risk management process and the mapping of risks to be managed at the lowest possible level within the Group.

The process for mapping risks and monitoring the Group's risk mapping and its insurance policy are closely linked. Said policy is reviewed in close collaboration with the risk mapping, which enables the Group to ensure that the level of coverage it has is constantly being amended in line with the risks it has identified.

2.6.5. CONTROL ACTIVITIES AND PROCEDURES

2.6.5.1. Business management procedures

Standardised processes for collecting and processing information facilitate the preparation of the monthly reporting package, which enables the various parties involved to monitor on a monthly basis developments in the Group's operating and financial performance and to formulate, implement and adapt the necessary action plans. The Administrative and Financial Department and, within it, the Management Control Department, have significantly strengthened this collection process in connection with the continuous improvement initiative concerning the accuracy and relevance of the indicators used.

More generally, the Group is pursuing a global strategy to standardise information reporting:

- as regards technical or operating information (daily and monthly reports submitted by the heads of the production units, special reports analysing incidents, regular reports on the maintenance and servicing of production equipment, reports on construction projects and reports on accidents in the workplace);

- as regards financial information, in line with the procedures for producing accounting and financial information (see below), but also to ensure the monitoring of budget performance, the Group's commitments, debt and cash; as from 2013, financial debt is monitored using a dedicated IT platform enabling the Group's debt to be monitored on a global and long-term basis;
- as regards non-financial information, in line with the procedures for producing non-financial information, verified by an independent third-party body (see information on corporate social responsibility measures in section 6 on page 161 of this Registration Document).

Strategic planning is carried out in conjunction with the budgetary process. The budget and the business plan are drawn up each year on the basis of information reported by the operating entities and by each Department as part of a standardised process. The budget and the business plan drawn up by the Administrative and Financial Department in line with the strategic orientations proposed by General Management are presented to the Executive Committee and approved by the Board of Directors. The budget is adjusted when the half-yearly financial statements are prepared.

The combination of the monthly reporting package and the budgetary process enables actual and estimated data to be reconciled and the market to be informed of any adjustments to the objectives.

2.6.5.2. Procedures applicable to projects and for deciding on, making and monitoring investments

Since 2009, the Company has been committed to continuously improving its procedures for deciding on, making and monitoring investments, which are intended to formalise the steps to be taken and the resources involved in each stage of the project (expression of interest, feasibility study, commercial proposal, making the investment and transferring it to the internal or external operator). This methodology involves meetings that are held as projects move from one stage to the other. Accordingly, investment decisions are approved only at the conclusion of a standardised cycle punctuated by launch, finalisation and commitment meetings, involving the Commitments and Monitoring Committee and, subsequently, the Board of Directors.

With respect to projects, a risk control by project process enables the Group to anticipate at an early stage the impacts of various risks to the forecast internal rate of return, to ensure that it remains consistent with the standards approved by the Board of Directors and, where relevant, to size facilities accordingly. Cross-functional project management enables decisions to be made about critical resources (financial and human), thereby securing completion of the projects concerned.

2.6.5.3. Procedures applicable to the procurement policy and the maintenance and management of strategic supplies

The procurement policy focuses, in particular, on applying in practice the combined principles of looking for quality offers, choosing the best offers in the Group's interest, and making an equitable selection of suppliers. Particular attention is paid to the ethical reputation of suppliers and their compliance with the Group's social and environmental responsibility values. In 2013, the Group drew up general procurement terms and conditions setting the Group's procurement standards and comprising a specific clause dealing with the social and environmental responsibility of its suppliers. It also introduced a standard framework agreement for use by its suppliers. A procurement operations guide will be circulated within the Group in 2014. It will specify the best practices of which staff have already been made aware by the Procurement and Maintenance Department (systematic use of competitive tendering, formalisation of purchase requisitions, approval levels, segregation of duties, etc.).

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2.6. Internal control and risk management procedures implemented by the Company

The Group's strategic procurement management process incorporates procedures aimed at safeguarding purchase prices and securing deliveries by avoiding stock outages (daily monitoring of stocks of coal and orders delivered by ship, and procedures for warning the authorities in the event of a stock outage that could result in production being halted).

In addition, maintenance of the Group's plants is monitored by means of Computer-Aided Maintenance Management (CMM), significantly strengthened in 2013. This enables the Group to ascertain the age of its equipment, formalise purchase requisitions associated with maintenance (issue of work orders discussed before approval, to which are attached the purchase requisitions) and to impose approval levels pre-determined on the basis of restricted access rights, by complying with the main segregation of duties principles.

2.6.5.4. Procedures applicable to the operation of the production units

The implementation, since 2011, of the production unit management process in connection with the Quality Safety Environment (QSE) process enabled the Group to obtain, in 2012 and 2013, AFNOR certification with respect to the three QSE standards for the following facilities: Albioma Le Gol (certification obtained in 2011 and retained in 2012) and Albioma Bois-Rouge (certification obtained in 2013). The same certification was also obtained by Terragen in Mauritius in 2013. This process is part of an overall approach that seeks to adopt and maintain policies for all of the Group's activities that promote sustainable development, limit negative environmental impacts and preserve biodiversity. The Group intends to extend it in the short term to the Albioma Le Moule and Albioma Caraïbes facilities, then to all its activities, regardless of their location.

In addition to these certifications, the Group made significant progress, in 2012 and 2013, in the implementation of its employee safety management process. In 2013, at all the Thermal Biomass plants (with the exception of Albioma Galion), a Safety Committee was set up with responsibility for monitoring the key indicators, in-depth analysis of the causes of any accidents and drawing up and monitoring implementation of action plans.

2.6.5.5. Procedures applicable to the production of the accounting and financial information

Organisation of the Administrative and Financial Department

The Administrative and Financial Department, under the responsibility of General Management, is responsible for managing the accounting and financial processes governing the production of the accounting and financial information. These processes involve the Accounting Department and the Management Control Department, and require implementation of procedures specific to the finance and cash departments (centralisation of cash flows, interest rate risk hedging and monitoring of financial debt). The consolidation processes are outsourced.

The Management Control Department is responsible, at local and central level, for implementing the controls required at each stage of the preparation of the accounting and financial statements.

Accounting standards

The Group has a single accounting framework, covering both general accounting procedures in respect of the Group's transactions (financial accounts) and the more detailed, analytical information by business sector (management accounts).

Management tools

The monthly reporting package drawn up by the Administrative and Financial Department is the main management tool used for the Group's activities, covering both operating performance of the production units and financial performance. It is based on information collected and consolidated each month in a standard manner under the responsibility of the Management Control Department.

This management tool plays a key role in the production of the monthly, parent company and consolidated financial statements.

Processes used in the preparation of the accounting and financial information

The Group's transactions are input into the local accounting systems by the staff responsible for accounting at local level, under the control of the Accounting Department. The accounting process is computerised using a single platform throughout the Group, whose operation is specifically regulated (restrictions on access).

The accounts of each legal entity included in the consolidation scope are closed on a monthly basis. This monthly closing is carried out by the local accounting staff in accordance with a standard process (downloading of provisions and orders issued by the Computer-Aided Maintenance Management system, inventory reports, recognition of commissioning of property, plant and equipment, etc.) which includes a review by the Accounting Department (cut-off entries, checks of bank reconciliations, etc.). Trial balances are extracted from which monthly financial statements are drawn up, which are then checked for consistency by the Management Control Department. An extract is sent to a third-party service provider responsible for the consolidation and for producing, under the responsibility of the Administrative and Financial Department, the monthly consolidated financial statements.

Checks are carried out at several stages in the process, to ensure that:

- intra-Group transactions have been correctly eliminated;
- the consolidation adjustments are consistent;
- the accounting standards have been correctly applied;
- the accounting and financial information is consistent with the budgets and management information.

The annual consolidated and parent company financial statements and the half-yearly consolidated financial statements, audited (in the case of yearly statements) or reviewed (in the case of half-yearly statements) by the Statutory Auditors, are produced using the same process based on a detailed timetable provided by the Administrative and Financial Department to all parties involved.

Audit, Accounts and Risks Committee

The role of the Audit, Accounts and Risks Committee is described in detail in section 2.2.4.1 on page 51 of this Registration Document. In particular, this Committee reviews the Company's parent company and consolidated financial statements prepared on an annual and half-yearly basis prior to their approval by the Board of Directors by verifying the effectiveness of the financial information preparation process.

Role of the Statutory Auditors

The accounting and financial information produced by the subsidiaries included in the consolidation scope and used to prepare the consolidated financial statements is the subject of a limited review at the half-yearly closing and a full audit at the year-end closing, carried out by a team of two independent Statutory Auditors. In this regard, the Chief Financial Officer and the legal representatives of all Group entities give a formal undertaking to the Statutory Auditors as to the accuracy, reliability and fair presentation of the accounting and financial information for which they are responsible.

Audits are carried out locally by a Statutory Auditor from the Company's team of Statutory Auditors or by a third party. The subsidiaries' financial statements are audited on an annual basis and are certified by the Statutory Auditors concerned.

2.7. Statutory Auditors' report prepared in accordance with article L. 225-235 of the French Commercial Code and dealing with the report of the Chairman of the Board of Directors

2.7. Statutory Auditors' report prepared in accordance with article L. 225-235 of the French Commercial Code on the report of the Chairman of the Board of Directors

PricewaterhouseCoopers Audit

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This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

FINANCIAL YEAR ENDING 31 DECEMBER 2013

To the Shareholders,

In our capacity as Statutory Auditors of Albioma Company and in accordance with article L. 225-235 of the French Commercial Code, we hereby present our report dealing with the report prepared by the Chairman of your company in accordance with article L. 225-37 of the French Commercial Code for the financial year ending 31 December 2013.

The Chairman is responsible for preparing and submitting for the approval of the Board of Directors, a report describing the internal control and risk management procedures implemented by the Company and disclosing other information as required by article L. 225-37 of the French Commercial Code dealing in particular with corporate governance.

Our own responsibility is to:

- communicate to you any observations we may have as to the information contained in the Chairman's report and relating to the Company's internal control and risk management procedures in the area of the preparation and processing of financial and accounting information; and
- attest that the report includes the other disclosures required by article L. 225-37 of the French Commercial Code. It should be noted that we are not responsible for verifying the fair presentation of those other disclosures.

We have performed our work in accordance with the professional standards applicable in France.

Information relating to the Company's internal control and risk management procedures in the area of the preparation and processing of financial and accounting information

Our professional standards require the application of procedures designed to assess the fair presentation of the information contained in the Chairman's report and relating to the Company's internal control and risk management procedures in the area of the preparation and processing of financial and accounting information.

Those procedures involve in particular:

- obtaining an understanding of the underlying internal control and risk management procedures in the area of the preparation and processing of financial and accounting information presented in the Chairman's report, and of the related documentation;
- obtaining an understanding of the work performed as a basis for preparing that information and the existing documentation ;
- determining if any major internal control weaknesses in the area of the preparation and processing of financial and accounting information identified by us during the course of our engagement have been appropriately disclosed in the Chairman's report.

On the basis of the procedures performed, we have nothing to report on the information relating to the Company's internal control and risk management procedures in the area of the preparation and processing of financial and accounting information contained in the report of the Chairman of the Board of Directors prepared in accordance with article L. 225-37 of the French Commercial Code.

Other disclosures

We hereby attest that the report of the Chairman of the Board includes the other disclosures required by article L. 225-37 of the French Commercial Code.

Neuilly-sur-Seine and Courbevoie, on 28 April 2014

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit

Jean-Christophe Georghiou
Partner

Mazars

Manuela Baudoin-Revert
Partner

2 • CORPORATE GOVERNANCE

2.8. Regulated agreements and commitments and transactions with related parties

2.8. Regulated agreements and commitments and transactions with related parties

2.8.1. FURTHER INFORMATION ON THE REGULATED AGREEMENTS AND COMMITMENTS SUBMITTED FOR APPROVAL TO THE GENERAL MEETING OF 27 MAY 2014

In order to improve the clarity and quality of the information submitted to the shareholders at the Annual General Meeting of 27 May 2014, the Board of Directors, at its meeting on 4 March 2014, decided to remove a certain number of agreements previously included in the special report by the Statutory Auditors on regulated agreements and commitments for the 2012 financial year, in the section on agreements and commitments entered into in previous financial years but still in effect during the 2012 financial year.

The aim of this removal was to limit the information submitted to the shareholders to that about agreements which, during the 2013 financial year, continued to relate to one of the conflict of interest situations governed by Article L. 225-38 of the French Commercial Code, and to remove that about those agreements which, during the same financial year, did not relate, or no longer related, to one of said conflict of interest situations, or related to normal business transactions entered into under arm's length terms.

The following agreements were removed from the report on regulated agreements and commitments:

- the current account and cash management agreements entered into between Albioma and Albioma Le Gol (formerly Compagnie Thermique du Gol) on the one hand, and between Albioma and Sud Thermique Production on the other hand (no conflict of interest situation as defined by Article L. 225-38 of the French Commercial Code during the 2013 financial year);
- the current account and cash management agreements entered into between Albioma and Albioma Bois-Rouge (formerly Compagnie Thermique de Bois-Rouge) on the one hand, and between Albioma and Exploitation Maintenance Services on the other hand (agreement relating to normal business transactions entered into under arm's length terms);

- the agreement to provide support and assistance entered into between Albioma and Albioma Galion (formerly Compagnie de Cogénération du Galion) (no conflict of interest situation as defined by Article L. 225-38 of the French Commercial Code during the 2013 financial year);
- the tax consolidation agreements entered into between Albioma on the one hand, and Albioma Bois-Rouge (formerly Compagnie Thermique de Bois-Rouge), Albioma Le Moule (formerly Compagnie Thermique du Moule), Albioma Solaire Kourou (formerly Quantum Energie Production) and Albioma Solaire Fabrègues (formerly Quantum Energie Fabrègues) on the other hand (no conflict of interest situation as defined by Article L. 225-38 of the French Commercial Code during the 2013 financial year);
- the shareholder current account agreements entered into between Albioma on the one hand and Albioma Solaire Antilles (formerly Quantum Energie Antilles), Albioma Solaire Habitat (formerly Quantum Energie Habitat), Quant Energia Italia, Sun Developers 15, Sun Developers 16, Albioma Solaire Réunion (formerly SCE Société de Conversion d'Energie) and Plexus Sol on the other hand (no conflict of interest situation as defined by Article L. 225-38 of the French Commercial Code during the 2013 financial year);
- the agreements entered into between Albioma on the one hand and Omnicane Thermal Energy Operations Saint-Aubin (formerly Compagnie Thermique du Sud) and Omnicane Thermal Energy Operations La Baraque (formerly Compagnie Thermique de Savannah) on the other hand (no conflict of interest situation as defined by Article L. 225-38 of the French Commercial Code during the 2013 financial year);
- the inter-creditor agreement entered into between Albioma and Albioma Solaire Matoury (formerly Quantum Energie Matoury) (no conflict of interest situation as defined by Article L. 225-38 of the French Commercial Code during the 2013 financial year);
- the guarantee agreement under which Albioma guarantees the commitments of Albioma Le Moule (formerly Compagnie Thermique du Moule) to the Fleur de Canne economic interest grouping in connection with the financial leasing agreement entered into between Albioma Le Moule and the latter (no conflict of interest situation as defined by Article L. 225-38 of the French Commercial Code during the 2013 financial year).

For the reasons detailed above, these agreements are not referred to in the special report by the Statutory Auditors on regulated agreements and commitments for the 2013 financial year, in section 2.8.2 on page 79 of this Registration Document.

2.8.2. SPECIAL REPORT BY THE STATUTORY AUDITORS ON REGULATED AGREEMENTS AND COMMITMENTS

PricewaterhouseCoopers Audit

63. rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars

Tour Exaltis - 61. rue Henri Regnault
92400 Courbevoie

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Financial year ended 31 December 2013

To the Shareholders,

In our capacity as Statutory Auditors of your Company, we are pleased to present our report on the regulated agreements and commitments.

We are required to present to you, on the basis of information provided to us, the features and main terms and conditions of the agreements we have been informed of or that we have identified in the course of our audit work. We are not required to comment as to whether they are beneficial or appropriate, or to ascertain the existence of any other agreements. It is your responsibility, in accordance with Article R.225-31 of the French Commercial Code (*Code de commerce*), to assess the benefits of these agreements prior to their approval.

In addition, we are required, where applicable, to provide you with the information referred to in Article R.225-31 of the Commercial Code concerning the continued performance during the last financial year of the agreements previously approved by the shareholders at a general meeting.

We followed the procedures which we considered necessary to comply with professional guidance given by the national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) relating to this type of assignment. These procedures consisted in verifying that the information provided to us is consistent with the original documentation from which it was extracted.

Agreements and commitments submitted for approval by the shareholders

I. Agreements and commitments authorised during the last financial year

Pursuant to Article L. 225-40 of the Commercial Code, we have been advised of the following agreements, which received prior authorisation from your Board of Directors.

Renewal of the terms and conditions governing the severance pay and the non-compete agreement of Jacques Pétry

Director concerned

Mr Jacques Pétry, Chairman and Chief Executive Officer of the Company

Date of authorisation by the Board of Directors

At its meeting of 21 October 2011, your Board of Directors authorised the terms and conditions governing the severance pay and the non-compete agreement of Jacques Pétry; these commitments were approved by the General Meeting of 31 May 2012.

At its meeting of 30 May 2013, your Board of Directors authorised the renewal of the above-mentioned commitments under the same conditions.

Description

On the occasion of the renewal of Jacques Pétry's term of office, as resolved by the shareholders at the Ordinary and Extraordinary General Meeting of 30 May 2013, and the corresponding renewal of his offices of Chairman of the Board of Directors and Chief Executive Officer, resulting from the decisions of the Board of Directors of the same day, the Board of Directors, during its meeting, decided, on the recommendations of the Nomination and Remuneration Committee, to reiterate the authorisation of the terms and conditions of this severance pay and the non-compete agreement mentioned above.

In the event that he is removed from office as Chief Executive Officer or Chairman and Chief Executive Officer, or if his appointment is not renewed (excluding termination for misconduct), Jacques Pétry will be entitled to severance pay under the following conditions

Maximum amount of the severance payment

The maximum gross amount of the all-inclusive severance payment will be the fixed remuneration, net of employer's social security contributions and GSC unemployment insurance cover for company managers and executives, received by Jacques Pétry over the six months prior to termination of his corporate office, plus the variable remuneration, net of employer's social security contributions and GSC unemployment insurance cover, received (or owing) for the six months prior to termination of the corporate office.

Performance conditions

In accordance with Article L. 225-42-1 of the Commercial Code, Jacques Pétry will only be entitled to receive the all-inclusive severance payment mentioned above if the annual objectives defined by the Board of Directors in connection with the variable remuneration have been achieved¹.

Exception: departure for misconduct

Jacques Pétry will not be owed any all-inclusive severance payment in the event he is removed from office as Chief Executive Officer or Chairman and Chief Executive Officer, or his appointment is not renewed, as a result of:

- any wrongdoing, or misconduct characterised under employment law as:
 - "serious misconduct" (*faute grave*), wherein the degree of seriousness derives from the deliberate nature of the misconduct and the seriousness – assessed in view of the size of the Group and its business activities – of the resulting consequences, or
 - any wrongdoing or misconduct characterised under employment law as "gross misconduct" (*faute lourde*), including in particular the intentional or repeated breach of limitations placed on his powers in the Articles of Association or by resolutions adopted by the shareholders at general meetings, or any action constituting a criminal offence perpetrated personally by Jacques Pétry, when a Group company is the victim, or this could harm the Group's reputation;

¹. This clause, in effect during the past year, was subject to the amendments described in point II, after the close of the financial year.

2 • CORPORATE GOVERNANCE

2.8. Regulated agreements and commitments and transactions with related parties

- Jacques Pétry's failure to comply with any exclusivity and/or non-compete obligations incumbent upon him in connection with his corporate office.

Non-compete obligation

In the event all-inclusive severance pay is owed

In the event all-inclusive severance pay is owed under the aforementioned terms and conditions following the termination or non-renewal of the appointment of Jacques Pétry as Chief Executive Officer or Chairman and Chief Executive Officer, he will be bound by a non-compete obligation towards the Company in accordance with the terms and conditions set out below:

- Term

The non-compete obligation will have a term of 12 months from the effective date of departure of Jacques Pétry.

- Jacques Pétry's obligations:

It is agreed that under the non-compete obligation Jacques Pétry will not do the following, during the applicable period:

- work, in any form whatsoever (contract of employment, provision of services, corporate office or otherwise) for any company or enterprise whose business activities (main business activities in terms of turnover) compete with the business activities of the Albioma Group, as at the effective date of departure;
- acquire or hold a direct or indirect interest (with the exception of any interest that does not exceed five percent (5 %) of the capital and voting rights of a listed company) in any company, enterprise or group whose business activities compete with the business activities of the Albioma Group, as at the effective date of departure;
- incite any customer, supplier or partner of the Company or the companies controlled directly or indirectly by the Company, within the meaning of Article L. 233-3 of the Commercial Code, to break off or curtail its business relationship with the Albioma Group, or incite any prospective customer not to enter into a business relationship with the Albioma Group;
- hire any officer, director or employee of the Company or any of the companies controlled directly or indirectly by the Company, within the meaning of Article L. 233-3 of the Commercial Code, or incite any such officer, director or employee to terminate his/her contract of employment or leave the Albioma Group.

- Geographic area

The non-compete obligations mentioned above shall apply to all areas in which the Albioma Group operates, as this may change between the date hereof and the effective date of Jacques Pétry's departure.

- Financial compensation

Payment of the all-inclusive severance pay, the amount of which is stated above, will be made in lieu of any financial compensation for Jacques Pétry's non-compete obligation.

In the event all-inclusive severance pay is not owed

In the event all-inclusive severance pay is not owed following Jacques Pétry's departure as Chief Executive Officer or as Chairman and Chief Executive Officer of the Company (following his resignation, removal from office, non-renewal of his appointment or otherwise), Jacques Pétry will be bound towards the Company under a non-compete agreement, in accordance with the terms and conditions defined below:

- Term

The non-compete obligation will have a term of 12 months from the effective date of departure of Jacques Pétry.

- Jacques Pétry's obligations

Identical to those he would be bound by in the event all-inclusive severance pay is owed.

- Geographic area

Identical to that in which the non-compete obligations are applicable in the event all-inclusive severance pay is owed.

- Financial compensation

In the event all-inclusive severance pay is not owed, Jacques Pétry will receive gross compensation corresponding to the fixed remuneration, net of employer's social security contributions and GSC unemployment insurance cover, received by Jacques Pétry over the six months prior to termination of his corporate office.

Possibility to waive the benefit of the non-compete agreement

Note that the Company will be entitled, within one month of its decision to remove Jacques Pétry from his office of Chief Executive Officer or Chairman and Chief Executive Officer or not to renew his appointment, to waive the benefit of Jacques Pétry's non-compete agreement described above.

II. Agreements and commitments authorised since the end of the financial year

We have been advised of the following agreements and commitments, which have been authorised since the end of the last financial year and which were authorised by your Board of Directors at its meeting of 4 March 2014.

Amendment of the terms and conditions governing the severance pay and the non-compete agreement of Jacques Pétry, in particular to bring them in line with the AFEP-MEDEF code

Director concerned

Mr Jacques Pétry, Chairman and Chief Executive Officer of the Company

Date of authorisation by the Board of Directors

4 March 2014

Description

At its meeting of 4 March 2014, the Board of Directors decided, on the recommendations of the Nomination and Remuneration Committee, to make amendments to Jacques Pétry's severance pay scheme, aiming notably to bring it into line with the provisions of the AFEP-MEDEF code. This recommends that the performance conditions, to which the payment is subject, are assessed over at least two financial years.

To this end, the Board of Directors renewed the terms and conditions of Jacques Pétry's severance payment and non-compete agreement and maintained its deliberations of 30 May 2013 in all its provisions, with the exception of the clause "Performance conditions", which has been replaced with the following provisions:

"In accordance with L. 225-42-1 of the Commercial Code, Jacques Pétry will only be entitled to receive the all-inclusive severance payment mentioned above if the sums due to him under the variable part of his remuneration for the two financial years preceding the date of his removal from office or non-renewal of his appointment as Chief Executive Officer or Chairman and Chief Executive Officer, represent, on average, a percentage which is equal to or greater than 50% of the maximum amount of the variable part which is likely to be granted for the financial years mentioned."

The other terms and conditions of this severance payment and the non-compete agreement have not been amended.

Agreements and commitments already approved by the shareholders

Agreements and commitments approved in previous financial years and performed in the last financial year

Pursuant to Article R. 225-30 of the Commercial Code, we have been advised of the continued performance in the last financial year of the following agreements and commitments, which have already been approved by the shareholders in previous financial years.



FIRST COVER PHOTO:
**Bagasse warehouse at Albioma Le Moule,
in Guadeloupe, during the sugar harvest.**


Design and production:  EUROKAPI

PHOTO CREDITS: © Albioma. All rights reserved.

This document has been printed on Cocoon Silk paper, FSC certified, made from 100% recycled fibres.

2.8. Regulated agreements and commitments and transactions with related parties

Grant to Methaneo of shareholder current-account advances and shareholders' agreements with the founding shareholders**Director concerned**

Jacques Pétry, Chairman and Chief Executive Officer of the Company and representative of Albioma as a member of Methaneo's Supervisory Board

Date of authorisation by the Board of Directors

27 April 2012

Date of approval by the General Meeting

30 May 2013

Performed during the last financial year

Current account advances of €2,050,000, bringing Albioma's total shareholder current account advances to €3,300,000 as at 31 December 2013.

Description

Grant to Methaneo, by the Company, which holds 60% of its capital, of shareholder current-account advances, in a total amount of €7 million over the 2012-2016 period, with a 9% annual interest rate, and shareholders' agreement with the founding shareholders of Methaneo.

Neuilly-sur-Seine and Courbevoie, on 28 April 2014

The Statutory Auditors,

PricewaterhouseCoopers Audit

Jean-Christophe Georghiou
Partner

Mazars

Manuela Baudoin-Revert
Partner

2.8.3. TRANSACTIONS WITH RELATED PARTIES

Detailed information about related parties is disclosed in note 34 to the consolidated financial statements for the 2013 financial year, in section 4 on page 132 of this Registration Document.

1,200 degrees Celsius: this is the temperature inside the combustion chamber where the water is converted into high-pressure steam. Superheated under constant pressure to nearly 525 degrees Celsius, the steam produced is returned to the turbine without condensing.

Boiler combustion chamber at Albioma Le Gol, Réunion

3 • ACTIVITIES AND RESULTS FOR THE YEAR ENDED 31 DECEMBER 2013

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3 • ACTIVITIES AND RESULTS FOR THE YEAR ENDED 31 DECEMBER 2013

3.1. Key figures

3.1. Key figures

3.1.1. FINANCIAL DATA

<i>In millions of euros</i>	2013	2012 restated ¹	Change
Revenue	364.3	373.8	- 3%
EBITDA	133.6	120.4	+ 11%
Net income from continuing operations, Group share	37.0	32.1	+ 15%
Profit on the sale of the Wind Power business	5.6	-	-
Net income from discontinued operations, Group share	-	1.4	-
Net income, Group share	42.6	33.5	+ 27%

1. 2012 results excluding the Wind Power business, sold in February 2013.

3.1.2. MW IN OPERATION AND PRODUCTION IN GWH

	Gross MW in operation			Production in GWh		
	31/12/2013	31/12/2012	Variation	2013	2012	Variation
Albioma Bois-Rouge (ABR)	108	108	-	727.7	761.5	(33.8)
Albioma Le Gol (ALG)	122	122	-	791.4	851.9	(60.5)
Albioma Le Moule (ALM)	64	64	-	376.9	385.1	(8.2)
Albioma Galion (AG)	40	40	-	112.6	82.5	30.1
Albioma Caraïbes (AC)	38	38	-	208.9	222.0	(13.1)
Thermal Biomass excluding Mauritius	372	372	-	2,217.5	2,303.0	(85.6)
OTEO La Baraque (formerly Compagnie Thermique de Savannah)	90	90	-	493.8	491.6	2.3
Terragen (formerly Compagnie Thermique de Bellevue)	70	70	-	393.7	356.8	37.0
OTEO Saint-Aubin (formerly Compagnie Thermique du Sud)	35	35	-	229.7	225.6	4.1
Thermal Biomass – Mauritius	195	195	-	1,117.2	1,073.9	43.3
Thermal Biomass	567	567	-	3,334.7	3,376.9	(42.2)
French overseas <i>départements</i>	56	57	(0.3)	79.7	79.7	(0.1)
Outside France	4	4	-	6.6	6.4	0.1
Metropolitan France	8	8	-	10.3	11.0	(0.8)
Solar Power	69	69	(0.3)	96.5	97.2	(0.7)
Anaerobic Digestion	-	-	-	-	-	-
Group total	636	636	(0.3)	3,431.2	3,474.1	(42.9)

3.1.3. AVAILABILITY RATE

	2013	2012
Albioma Bois-Rouge	91.1%	90.4%
Albioma Le Gol	92.1%	92.3%
Albioma Le Moule	91.8%	91.9%
Albioma Caraïbes	93.5%	96.2%
Albioma Galion	95.7%	92.9%
Total – French overseas <i>départements</i>	92.3%	92.1%
Terragen (formerly Compagnie Thermique de Bellevue)	91.3%	90.5%
OTEO Saint-Aubin (formerly Compagnie Thermique du Sud)	91.6%	92.3%
OTEO La Baraque (formerly Compagnie Thermique de Savannah)	93.7%	91.9%
Group total	92.3%	91.9%

3.2. Highlights of the year

The highlights of the financial year 2013 were as follows:

3.2.1. THERMAL BIOMASS BUSINESS

3.2.1.1. Power plant operating conditions

- At 31 December 2013, the total installed thermal power capacity in French overseas *départements* remained stable compared with 2012, at 372 MW for the fully-consolidated power plants (the Mauritian power plants, which total 195 MW, are equity accounted).
- The very high availability rate of 92.3 % reflects an excellent level of power plant operating expertise and the constant state of readiness of operating teams. At Albioma Caraïbes, the decline in availability rate compared to 2012 is explained by the fact that there was no annual shutdown for maintenance that year owing to that plant's recent commissioning (in 2011).
- In Martinique, the call rate at the Galion peak-load plant again reached a remarkably high level of 33.6%, up from 25.3 % in 2012. EDF called on this power plant to an extent far beyond its vocation as a peaking plant, in order to compensate for unavailability at other power generating facilities. The commissioning of new installations by EDF at the end of 2013 is, however, expected to restore normal conditions in 2014.
- In international markets, the thermal power plants on the island of Mauritius operated at full capacity with an outstanding average availability rate of 92.4%.
- The Group's biomass thermal power production showed an overall 1.2% decrease for all its plants compared with 2012.
- Scheduled maintenance shutdowns were satisfactorily carried out at all power plants. Owing to an incident on the turbine of unit 2 of the Albioma Bois-Rouge plant at the end of December, the annual shutdown scheduled for May 2014 was brought forward to January.
- As part of a periodic review of its long-term electricity sale contracts, the Group reached an agreement with EDF reflecting the additional costs associated with changes in circumstances (in particular changes to environmental, employment and fiscal regulations) that in recent years have affected the operation of its Le Moule, Le Gol and Bois-Rouge power plants. After approval by the French energy regulating commission (*CRE: Commission de Régulation de l'Énergie*), contractual amendments setting out that agreement, providing for the adjustment of tariffs as from 2013 and retroactive compensation over a three-year period, were signed with EDF in January 2013 for Albioma Le Moule and in August 2013 for the power plants on Reunion Island.
- On 28 June 2013, Albioma Le Gol exercised the purchase option on the finance lease for power plant tranche 3 equipment for the sum of €59 million. On 27 December 2013, Albioma Le Moule also exercised the purchase option on the finance lease of its power plant for the sum of €33 million.
- The Group continued work to ensure that its power plants comply with Quality, Health, Safety and Environment (QHSE) standards.

3.2.1.2. Changes in the economic and regulatory environment

- Coal prices fell 17% compared with the previous year. The average price for the Group dropped from €102 per tonne in 2012 to €85 in 2013. This trend had a negative impact on the Group's revenues but did not directly affect profit margins, as electricity sale prices are contractually indexed to fuel costs.

- Changes in environmental standards and regulations regarding combustion by-products now require that combustion ash should be disposed of at special landfill sites, which entails additional logistic costs, estimated at between 4 and 5 million euros, for coal-fired power plants. The Group is currently examining a number of solutions to reduce these costs over the next few years.
- As regards carbon emissions, the electric power sector now only benefits from free quota allocations for cogeneration plants and not for installations producing electricity only. Furthermore, under the terms of agreements reached with EDF during the first half of 2013, the excess charge previously borne by the power plants was removed, with retroactive effect from 1 January 2013. With the exception of Albioma Caraïbes, where such an excess charge remained in force in 2013, contracts between the Group's thermal power plants and EDF now provide for the cost of purchasing quotas on the market to be passed on to EDF via monthly invoices, excluding any transaction commissions and after the retrocession of free quotas allocated for their cogeneration activity.
- In the context of the new regulations of 1 July 2012 regarding financial guarantees for the safety of facilities classified for the protection of the environment (*ICPE: Installations Classées pour la Protection de l'Environnement*), the Group is required to provide guarantees ensuring the safety of its thermal power plants, and the removal and processing of hazardous products and waste. An evaluation of the relevant costs for the five existing thermal power plants has been drawn up and transmitted to DREAL (the French regional environment, planning and housing authority). By 30 June 2014, the Group must provide a financial guarantee equal to at least 20% of the estimated cost and the remainder must be provided for at the rate of 20% a year for the following four years. The total amount of these financial guarantees, estimated at €0.6 million, shall be recorded as off-balance sheet commitments.

3.2.1.3. Project development

- The Galion 2 project in Martinique, representing an investment of €180 million for an installed capacity of 38 MW, obtained all the necessary operating authorisations and permits. Negotiations are in progress with EDF to convert the bagasse/coal contract into a bagasse/biomass contract. The plant's commissioning is now scheduled for 2016, instead of 2015 as initially planned.
- For the Marie-Galante project in Guadeloupe, representing an investment of €80 million for an installed capacity of 13 MW, applications are being made for the necessary permits and authorisations. The facility's commissioning is scheduled for 2017-2018.
- In parallel, the Group is examining local biomass development opportunities to replace coal in existing bagasse/coal power plants.

3.2.1.4. Labour relations

- The year's business was conducted in a climate of good labour relations.

3.2.2. SOLAR POWER BUSINESS

3.2.2.1. Power plant operating conditions

- Solar Power activity, mainly in French overseas territories, benefits from very long sunshine hours and purchase prices that are higher than in metropolitan France.
- Photovoltaic power production declined slightly, by 1%, to 97 GWh. Power plants in the Indian Ocean and French Guiana benefited from excellent sunshine conditions and year-long operation which compensated for the heavy rainfall at the beginning of the year in the French West Indies and poor sunshine conditions in metropolitan France.

3 • ACTIVITIES AND RESULTS FOR THE YEAR ENDED 31 DECEMBER 2013

3.3. Comments on the consolidated financial statements

- In June 2013, an incentive scheme and a company savings plan were set up in the companies in the Albioma Solaire Réunion group (Albioma Solaire Réunion, Albioma Solaire Mayotte, Albioma Power Alliance and Plexus Sol) and at Albioma Solaire Antilles.
- In Martinique, two small power plants (Socame and Perinon) were connected up in May, providing a total capacity of 0.3 MW. On Reunion island, the extension to the CLAM power plant, with a capacity of 0.4 MW, was commissioned on 23 August 2013.
- A fire destroyed technical unit 2, with a capacity of 1.3 MW, at the Lasalle power plant on 6 November 2013. This installation was placed back in service on 21 February 2014 and is now fully operational once again.

3.2.2.2. Changes in the economic and regulatory context

- There were no significant changes in France or other countries (Spain and Italy) in 2013.

3.2.2.3. Project development

- Two projects for photovoltaic power plants with batteries, representing a total investment of €10 million, are currently at the administrative stage on Reunion Island (1 MW with storage) and in French Guiana (2MW with storage). These facilities should be commissioned this summer and in 2015, respectively.

3.2.3. ANAEROBIC DIGESTION BUSINESS

- The Tiper Méthanisation power plant in Thouars (Deux-Sèvres) was officially opened on 26 April 2013. This first Methaneo power plant produces renewable energy from 80,000 tonnes of livestock effluent, crop by-products and organic waste from food processing industries. The electricity thus recovered is being sold to Bellané, a nearby manufacturer that produces and sells animal feed. Production build-up continues, and the plant is expected to be operating at full capacity by the second half of 2014.
- Construction of Capter Méthanisation, a 0.5 MW plant in Saint-Varent (Deux-Sèvres) which will process more than 15,000 tonnes of biomass, has been completed. Production build-up is under way at the plant, which will be fully operational during the second half of 2014.

- Construction of the Sainter Méthanisation plant in Saint Hermine (Pays de Loire) was completed at the beginning of 2014.
- A total of three or four new projects will be confirmed in 2014, representing a total investment of €20 million.

3.2.4. WIND POWER BUSINESS

- The Group sold its Wind Power business to EDF Énergies Nouvelles on 8 February 2013 for an enterprise value of €59 million, yielding a net profit of €5.6 million after transfer fees and tax. The Wind Power business consisted of six wind farms located in France with a combined installed capacity of 56.5 MW, which generated 106 GW/h in 2012, and five projects under development. This transaction, reflecting the Group's strategy of focussing its business on biomass-based power generation, will release additional resources to develop Thermal Biomass power, Anaerobic Digestion and Solar Power projects in France and other countries.

3.2.5. HOLDING COMPANY

- At the General Meeting of 30 May, the shareholders voted to approve the proposal to change the company name, as submitted to them by the Board of Directors: Séchilienne-Sidec became Albioma. This new name, supported by the Group's new visual identity, will better reflect the development strategy for the business of recovering energy from biomass.
- Albioma Participações do Brasil, based in the São Paulo region, was formed in July 2013. Its purpose is to bear the exploration and development costs, and to hold shares in any companies that are created or acquired in Brazil. A dedicated team is now based locally.
- In order to support the development of new power plant projects and the upgrading of existing plants, the Works teams were strengthened during the year. Furthermore, the Group established a hothouse of young engineers who will fulfil its future needs in terms of managing operations.
- The decision was taken to transfer the Group's head office from Immeuble Le Monge to Tour Opus 12, located in the main square of La Défense, with effect from 10 March 2014.

3.3. Comments on the consolidated financial statements

3.3.1. INCOME STATEMENT

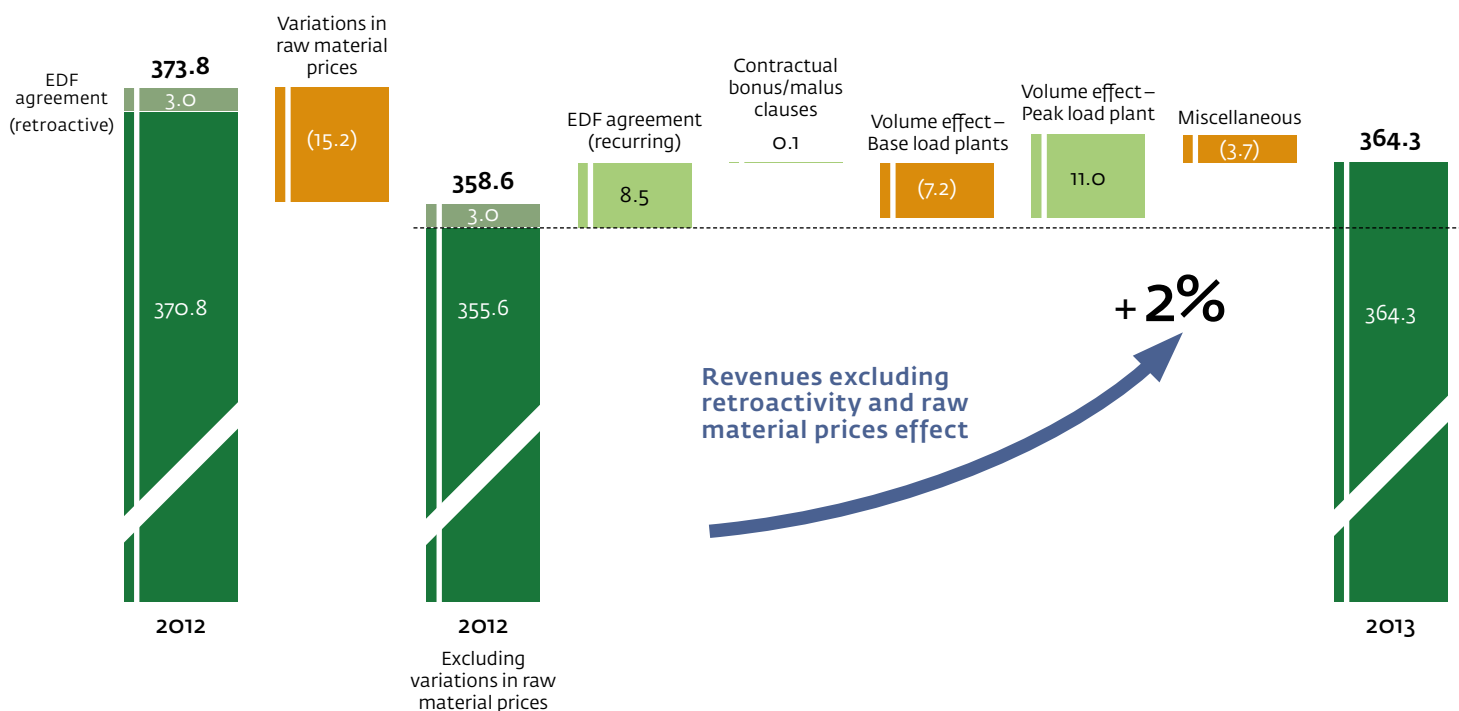
3.3.1.1. Revenue

€ million	2013	2012 restated ¹	Change
Thermal Biomass	321.0	330.9	- 3%
Solar Power	41.0	41.2	-
Anaerobic Digestion	-	-	-
Holding company and other	2.2	1.7	+ 27%
Revenue	364.3	373.8	- 3%

1. 2012 revenue excluding the Wind Power business, sold in February 2013.

Revenue was down 3% compared with 2012. The change can be analysed as follows:

€ million



2012 revenue included retroactive compensation in respect of the premiums/penalties and fines awarded by EDF in the region of €3 million.

In 2013, given their significant amounts, the retroactive compensation items obtained from EDF are shown in "Other operating income" and are not recognised in revenue.

Stripping out these retroactive items and the negative impact of changes in raw materials prices of €15.2 million, mainly stemming from the decline in coal prices between 2013 and 2012, but with no direct effect on the margin due to electricity sales prices being contractually indexed to fuel costs, revenue increased by 2% thanks to:

- the €8.5 million increase in fixed premiums for the thermal power plants following agreements entered into with EDF for the Moule, Bois-Rouge and Gol power plants and the indexation of contracts for the sale of electricity;

- premiums/penalties and fines having remained stable (excluding the impact of the retroactive items recorded in the first half of 2012 for the Gol, Bois-Rouge and Moule power plants of €3 million), thanks to the availability targets being met at all power plants throughout 2013 when taking into account scheduled maintenance shutdowns;
- a positive effect of €11 million due to the record call rate recorded at the Gallion peak-load power plant;

that offset:

- a negative thermal volume effect of €7.2 million at the Gol, Bois-Rouge and Albioma Caraïbes base-load power plants due to lower call rates following the commissioning of new EDF installations in Martinique and Reunion;
- a 1% decline in photovoltaic production causing a negative impact of €0.2 million.

3.3.1.2. EBITDA

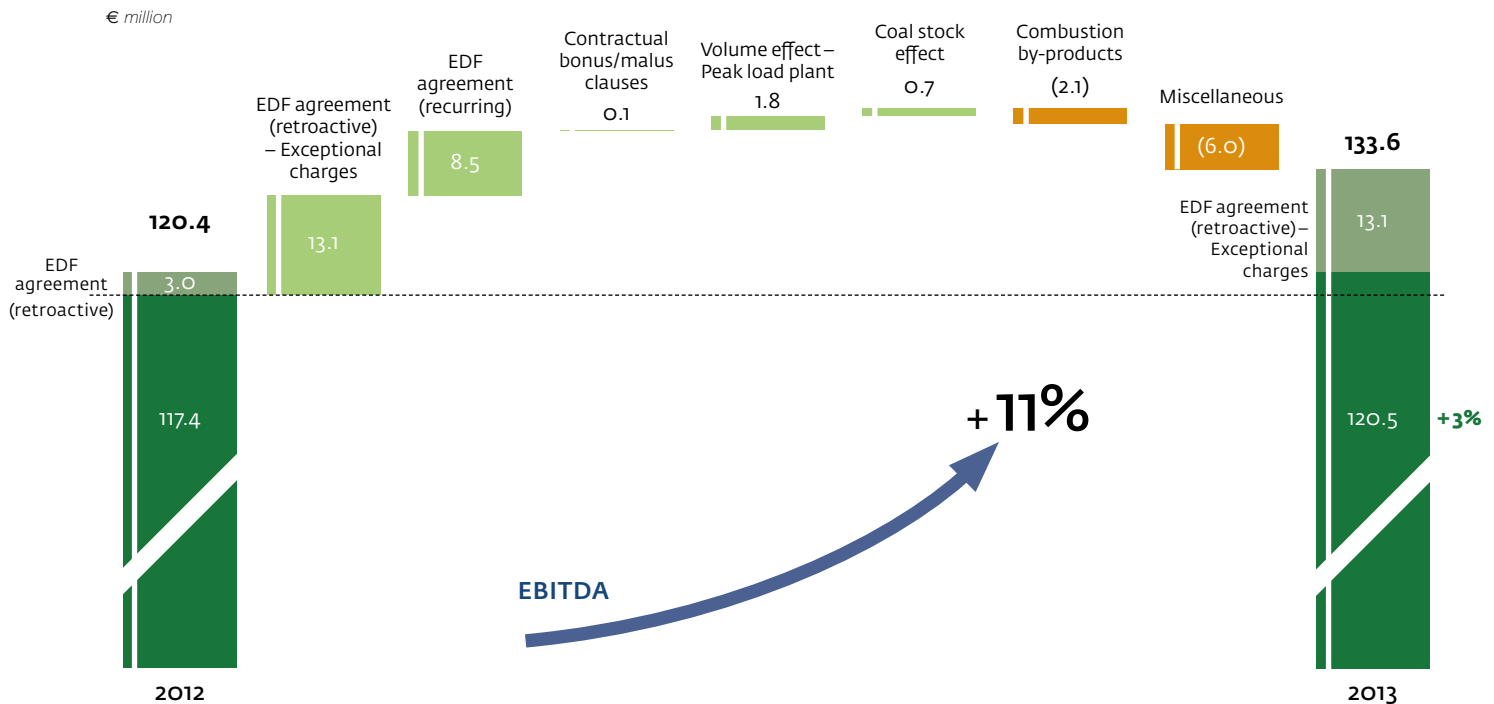
€ million	2013	2012 restated ¹	Change
Thermal Biomass	108.8	92.3	+ 18%
Solar Power	31.4	31.9	- 2%
Anaerobic Digestion	-	-	-
Holding company and other	(6.6)	(3.8)	- 74%
EBITDA	133.6	120.4	+ 11%

1. 2012 EBITDA excluding the Wind Power business, sold in February 2013.

3 • ACTIVITIES AND RESULTS FOR THE YEAR ENDED 31 DECEMBER 2013

3.3. Comments on the consolidated financial statements

EBITDA posted strong growth of 11% compared with 2012 to reach €133.6 million. This €13.2 million increase at constant consolidation scope (excluding Wind Power in 2012) is attributable as follows:



- EBITDA for the Thermal Biomass business was up €16.5 million. This strong growth was largely due to agreements entered into with EDF covering the revision of 2013 tariffs, but was also helped by the retroactive effect for the years 2010, 2011 and 2012 for the Gol, Bois-Rouge and Moule power plants and the record call rate at the Galion peak-load power plant. Following talks with the French department of the environment, planning and housing (*Direction de l'Environnement, de l'Aménagement et du Logement – DEAL*) on the ministerial Decree of 28 October 2010, EBITDA also includes the additional costs relating to the disposal at landfills of non-recoverable combustion by-products amounting to €2.1 million. In parallel, due to insufficient storage capacity at an authorised storage site, Albioma Le Gol was unable to comply with its obligation and a provision for the immediate evacuation of by-products was raised for an equivalent amount. This provision has no impact on EBITDA.
- EBITDA for the Solar Power business was broadly unchanged. The excellent sunshine conditions in Reunion, French Guiana, Italy and Spain offset the weaker performances observed in metropolitan France and Martinique. Technical unit 2 at the Lasalle power plant destroyed by a fire in November 2013 was brought back into service in early 2014.
- EBITDA for the Holding company includes exploration costs in Brazil and a significant amount of non-recurring charges, relating notably to the change of name and relocation of the head office.

3.3.1.3. Charges for depreciation, amortisation, and provisions, and financial result

The increase in charges for depreciation, amortisation and provisions to €47.3 million (+25 %) was mainly due to provisions booked for liabilities and asset impairment.

The decline in financial charges was essentially attributable to the reduction in outstanding debt following the sale of the Wind Power business and debt repayments made during the period.

3.3.1.4. Share of net income of associates

The share of net income of associates came to €2.7 million compared with €2.6 million in 2012, mainly due to good performances by the power plants in Mauritius in terms of availability and production in 2013. This item also includes a positive adjustment of €0.2 million based on the final 2012 financial statements.

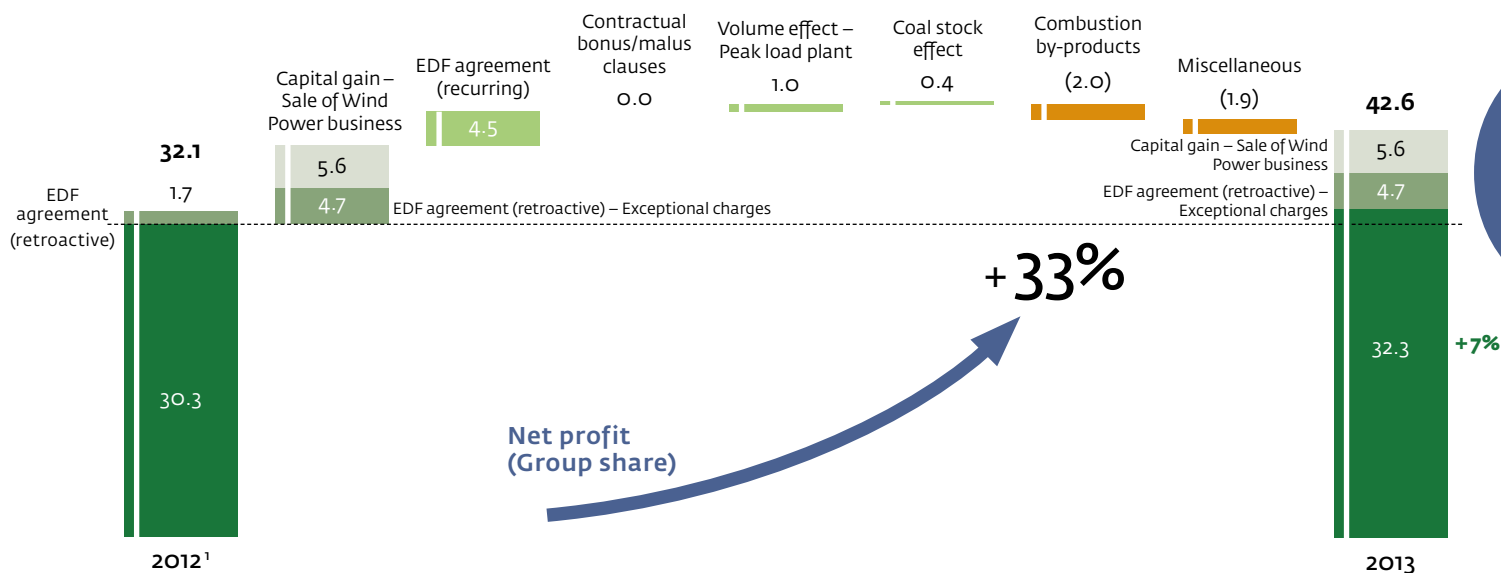
3.3.1.5 Tax charge

The tax charge came to €23.2 million, corresponding to an effective tax rate (excluding share of net income of associates) of 37%, compared with a charge of €20 million for the year ended 31 December 2012, corresponding to an effective tax rate of 36.1%. The change in the effective tax rate stems from tax measures that resulted in financial charges being partly non-deductible as well as the new tax on dividends paid amounting to €1 million.

3.3.1.6. Net income and net income, Group share

Net income came to €47.9 million compared with €39.3 million in 2012. Net income, Group share, came to €42.6 million, up sharply compared with 2012, when it reached €33.5 million (€32.1 million excluding the Wind Power business, sold in February 2013). It includes a €5.6 million gain on the sale of the Wind Power business.

€ million



1. 2012 figures restated of Wind Power business, sold in February 2013.

3.3.2. STATEMENT OF CASH FLOWS

€ million	2013	2012 restated ¹	Change	2012 Published
Cash flow	135.5	125.1	10.4	131.9
Change in the working capital requirement	16.8	6.5	10.3	6.1
Tax paid	(22.4)	(17.8)	(4.6)	(17.7)
Cash flow from operating activities	130.0	113.9	16.1	120.2
Operating capex	(13.3)	(9.8)	(3.5)	(9.8)
Free cash flow from operating activities	116.7	104.1	12.6	110.5
Development capex	(20.1)	(15.5)	(4.6)	(14.8)
Other acquisitions/disposals	18.1	(2.9)	21.0	(2.9)
Other	5.1 ²	0.6	4.5	0.6
Net cash flow from investing activities	3.1	(17.9)	21.0	(17.2)
Dividends paid to Albioma shareholders	(10.3)	(14.4)	4.1	(14.4)
Borrowings (increases)	53.4	9.8	43.6	9.8
Borrowings (repayments)	(114.1)	(43.8)	(70.3)	(48.0)
Cost of financial debt	(23.5)	(27.6)	4.1	(29.6)
Other	0.4	(4.8)	5.2	(4.2)
Net cash flow from financing activities	(94.1)	(80.9)	(13.2)	(86.5)
Impact of reclassification of cash and cash equivalents of activities held for sale	-	-	-	(2.7)
Net change in cash and cash equivalents	25.7	5.4	20.3	4.3
Opening net cash and cash equivalents	79.2	73.8 ³	5.4	74.9
Closing net cash and cash equivalents	104.9	79.2	25.7	79.2
Gross debt	524	583	(59)	631
Net cash and cash equivalents	105	79	26	82
Deposits	5	17	(12)	21
Net debt	414	486	(73)	528

1. 2012 data restated for the Wind Power business, sold in February 2013.

2. Including change in security deposits.

3. Excluding opening cash of the Wind Power business for €1.1 million.

3 • ACTIVITIES AND RESULTS FOR THE YEAR ENDED 31 DECEMBER 2013

3.4. Significant changes in the financial or commercial position

3.3.2.1. Cash flow from operating activities

This item amounted to €130 million in 2013 compared with €113.9 million in 2012. This increase reflects:

- the €10.4 million increase in cash flow stemming from the change in EBITDA;
- the change in the working capital requirement, i.e. an increase of €10.3 million, mainly due to a decrease in trade receivables and an increase in tax liabilities.

3.3.2.2. Cash flow from investing activities

This item comprises:

- operating investment expenses: these are investment expenses for power plants in operation, essentially Thermal Biomass plants, in connection with the servicing, maintenance, repairs, optimisation and modernisation work and investment programme initiated in 2009. These totalled €13.3 million compared with €9.8 million in 2012;
- development investment expenses: these totalled €20.1 million compared with €15.5 million in 2012. They mainly consist of the final expenses for the Caraïbes Énergie (now Albioma Caraïbes) project, expenses incurred in connection with the Galion 2 project, and investments in Anaerobic Digestion power plants and photovoltaic installations;
- the proceeds from the sale of the Wind Power business to EDF Énergies Nouvelles.

Free cash flow (cash flow generated by operating activities less operating investments) came to €116.7 million in 2013 compared with €104.1 million in the same period in 2012 (restated for the Wind Power business).

3.3.2.3. Cash flow from financing activities

Financing activities generated negative cash flow of €94.1 million compared with negative cash flow of €80.9 million in 2012.

€53.4 million of new borrowings were issued in 2013, notably in connection with the refinancing of the Moule power plant following exercise of the finance lease option.

At the same time, repayment of borrowings amounted to €114.1 million compared with €43.8 million in 2012, thus significantly reducing the outstanding debt, particularly that of the Holding company, compared with end-December 2012.

3.3.3. FINANCIAL STRUCTURE

At 31 December 2013, total equity stood at €393.6 million, compared with €352.9 million at 31 December 2012.

Gross borrowings stood at €524 million, down sharply compared with 31 December 2012, when they came to €583 million (excluding the Wind Power business, sold in February 2013). They consisted of project debt without recourse of €471 million, down 4% compared with 2012 (excluding the Wind Power business). Corporate debt came to €53 million, i.e. down 40% compared with 2012.

Consolidated net borrowings came to €414 million after taking into account net cash and cash equivalents of €105 million and security deposits (€5.2 million of deposits at 31 December 2013). They also declined significantly compared with 31 December 2012, when they stood at €486 million (€528 million before deconsolidation of the Wind Power business, sold in February 2013).

With a historically low net debt/EBITDA gearing ratio of 3.1x and consolidated cash and cash equivalents of €110 million (including €5 million of security deposits), Albioma has considerably strengthened its means to finance its ambitious development plan.

See further information in Note 23 to the consolidated financial statements for the 2013 financial year in chapter 4, page 121 of this Registration Document.

3.4. Significant changes in the financial or commercial position

Nothing to report.

3.5. Key events since 1 January 2014 and outlook

3.5.1. EVENTS AFTER THE REPORTING PERIOD WITH NO DIRECT LINK TO OR DOMINANT INFLUENCE ON THE YEAR JUST ENDED

3.5.1.1. Group's first acquisition in Brazil

Following the opening of a local office in July 2013, in March 2014 Albioma announced the acquisition, in Brazil for BRL137 million (€43 million), of Rio Pardo Termoelétrica, a cogeneration plant located in the State of São Paulo. The plant, located in an area that is very conducive to the cultivation of sugarcane, operates all year round using the bagasse harvested over nine months.

This plant, brought into service in 2009, is fitted with high-quality equipment and has an installed capacity of 60MW, similar to that of the Group's other plants. It is adjacent to a sugar mill that currently processes 2.1 million tonnes of sugarcane per annum, thus guaranteeing the plant's bagasse supply throughout the year. Albioma's unique expertise will significantly enhance the energy efficiency of the existing facilities that will ultimately transfer 160GWh of electricity to the grid per annum.

Thanks to this acquisition, Albioma has completed the first operation for the production of energy (including operation) from a sugar mill in Brazil and thus confirms its status as a preferred partner of players in the sugar industry.

The acquisition of 100% of the shares in the cogeneration plant was finalised on 31 March 2014. This operation, financed for 50% by local debt and 50% by equity, is expected to make a positive contribution both in terms of EBITDA and net income, Group share, as from the 2014 financial year.

The sugar mill plans to increase its crushing processing capacity to 3 million tonnes of sugarcane per annum. Albioma will thus have the opportunity to build a 15MW extension to the cogeneration plant, enabling it to recover energy from the additional quantity of bagasse, and significantly increase the plant's electricity production.

3.5.1.2. Agreement relating to the dispute between the Group and a supplier of solar panels

Following the signing of a settlement agreement, the dispute with a supplier concerning the supply of solar panels to Albioma Group companies for projects dating back to 2007 is now closed.

3.5.2. OUTLOOK

The growth strategy remains focussed on biomass, with a complementary offering in Solar Power. The Group has confirmed its intention to invest €1 billion between now and 2023 in the Thermal Biomass business in French overseas *départements* and other countries, specifically Brazil, and in its Anaerobic Digestion business in France.

3.5.2.1. Overseas

The Group is maintaining its growth policy in French overseas *départements* with two innovative projects for base-load power plants, Galion 2 in Martinique and Marie Galante in Guadeloupe. These two plants will in fact be based on a new model as they will use biomass to supplement bagasse and will use coal purely as a back-up fuel. These two projects, which benefit from strong support from local residents and elected officials, will help establish a local biomass industry that will be supplemented by biomass imported from North America and Brazil.

In addition, in accordance with new environmental standards applicable to all electricity producers, Albioma will invest, between now and 2020, around €200 million in its thermal power plants in French overseas *départements* and will implement effective and economic solutions. Negotiations are under way with EDF to modify contracts for the sale of electricity on the basis set by the regulations of 11% remuneration on capital employed.

Lastly, drawing on the recognised expertise of its Galion power plant in Martinique, Albioma plans to develop new peak-load power plants, combining fuel oil and biofuels.

3.5.2.2. Agricultural anaerobic digestion in France

With a portfolio of 22 projects, Methaneo is set to bring into service more power plants. After Tiper Méthanisation and Capter Méthanisation, three or four new projects are expected to be brought into service in 2014. The company's ambition remains to position itself as one of the key players in collective agricultural anaerobic digestion in France.

3.5.2.3. Brazil

Buoyed by its first acquisition, the Group has confirmed the numerous opportunities for the acquisition and construction of cogeneration plants in partnership with Brazil's sugar manufacturers, and plans to complete one new project every 12 to 18 months.

3.5.2.4. Objectives

For 2014, based on the same economic conditions, the Group is looking for EBITDA of €123-126 million and net income, Group share, of €33-35 million.

In addition, the objectives for growth in EBITDA and income, Group share, for 2016 are confirmed.

€ million	2013 ¹	2014	2016
EBITDA	120.5	123-126	160-163
Net income, Group share	32.3	33-35	40-42

¹ 2013 data excluding the Wind Power business, retroactive items and other non-recurring items.

3.6. Comments on Albioma SA's Company financial statements

Albioma SA reported net income of €17.9 million, unchanged compared with that recorded in 2012.

3.6.1. INCOME STATEMENT

Albioma SA's income statement for the year ended 31 December 2013 compared with that for the previous year can be analysed as follows.

The operating result increased, the loss narrowing from €5.2 million in 2012 to €3.8 million in 2013. This improvement was a direct result of the higher revenue recorded in 2013.

Net financial income declined from €21.3 million in 2012 to €20.5 million in 2013, mainly due to higher financial charges for depreciation, amortisation and provisions, and despite the increase in income from equity interests, based on the subsidiaries' previous year's results, and lower financial charges, the Company having significantly reduced its bank borrowings during 2013.

The tax consolidation scope has not changed since 2012. It includes Albioma and its subsidiaries Albioma Bois-Rouge and Albioma Le Moule, in accordance with the tax conventions signed on 31 March 2005 and 22 April 2009 respectively, as well as Albioma Solaire Pierrelatte and Albioma Solaire Fabrègues. In 2013, Éoliennes de la Porte de France was removed from the tax consolidation group following the sale of the Wind Power business.

3.6.2. STATEMENT OF FINANCIAL POSITION

3.6.2.1. Main items

The main items in the statement of financial position are as follows:

- Equity investments represent €203.1 million. This amount is unchanged compared with that in 2012. The increase arising mainly from the creation of Albioma Participações do Brasil and the acquisition of a 7.5 % stake in Énergie de Martinique was offset by the sale of shares in companies connected with the Wind Power business and companies in the Solar Power business, i.e. Quantum Énergie Grenade and Quantum Énergie Saint-Gemme;
- Equity totalled €146.7 million.

3 • ACTIVITIES AND RESULTS FOR THE YEAR ENDED 31 DECEMBER 2013

3.6. Comments on Albioma SA's Company financial statements

3.6.2.2. Supplier settlement times

The tables below show the position concerning trade payables at 31 December 2013 and 31 December 2012:

At 31 December 2013

<i>In thousands of euros</i>	Total Trade payables	Payables due ¹	Payables due in 0 to 30 days	Payables due in 31 to 60 days	Payables due in 61 days and more
International	–	–	–	–	–
Non-Group	4,120	3,474	15	632	–
Group	65	65	–	–	–
Total	4,185	3,539	15	632	–

1. Including €3,279,000 of old payables subject to supplier disputes.

At 31 December 2012

<i>In thousands of euros</i>	Total Trade payables	Payables due ¹	Payables due in 0 to 30 days	Payables due in 31 to 60 days	Payables due in 61 days and more
International	–	–	–	–	–
Non-Group	4,049	3,445	558	46	–
Group	4	4	–	–	–
Total	4,053	3,449	558	46	–

1. Including €3,279,000 of old payables subject to supplier disputes.

3.6.3. DIVIDENDS

In accordance with the policy announced in 2012, the Board of Directors will propose to shareholders payment of a dividend of €0.60 per share, with an option for 50% of this dividend to be paid in new shares. This proposal will be submitted for approval by the shareholders at the General Meeting to be held on 27 May 2014.

Appropriation of 2013 net income

Source of amounts to be appropriated (in euros)

Net income for the year	17,914,302.46
Retained earnings brought forward	87,412,074.58
Total	105,326,377.04

Appropriation (in euros)

To the legal reserve	2,061.50
To payment of a dividend of €0.60 per share	17,465,823.60
To retained earnings	87,858,491.94
Total	105,326,377.04

3.6.4. FIVE-YEAR FINANCIAL SUMMARY FOR ALBIOMA SA

<i>In thousands of euros</i>	2013	2012	2011	2010	2009
Closing share capital					
Share capital	1,123	1,102	1,095	1,095 ¹	1,095
Number of shares in issue	29,167,899	28,632,445	28,446,645	28,446,645 ¹	28,441,645
Operations and results for the year					
Revenue excluding taxes	19,432	14,600	93,456	70,931	36,250
Income before tax, depreciation, amortisation and provisions	21,474	16,554	43,683	30,190	25,765
Tax charge/(income)	(1,643)	(1,803)	(2,233)	2,572	(1,727)
Income after tax, depreciation, amortisation and provisions	17,914	18,110	43,291	26,539	31,452
Distributions	17,466 ^{2,3}	16,861 ²	16,153 ²	19,913	19,913
Earnings per share (in euros)					
Income after tax, but before depreciation, amortisation and provisions	0.79	0.64	1.61	0.97	0.97
Income after tax, depreciation, amortisation and provisions	0.61	0.63	1.52	0.93	1.11
Dividend paid	0.60 ³	0.59	0.57	0.70	0.70
Headcount	75 ⁴	61 ⁴	56 ⁴	64 ⁴	61 ⁴

1. After exercise of 5,000 share subscription options (allocation plan of 13 December 2005).

2. Shareholders may elect for full payment in cash or 50/50 payment in cash and shares.

3. Proposed to the General Meeting of 27 May 2014.

4. Including one corporate officer.

Thermal energy from the steam is converted into kinetic energy: the steam is de-pressurised in a vacuum, falling in just a few seconds from 525 to 45 degrees Celsius, causing the turbine and the alternator to rotate at more than 6,000 revolutions per minute, generating electricity.

Low-pressure wheel of a turbine at Albioma Bois-Rouge, Réunion.

4 • CONSOLIDATED FINANCIAL STATEMENTS FOR THE 2013 FINANCIAL YEAR

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4.7. Statutory Auditors' report on the consolidated financial statements

4 • CONSOLIDATED FINANCIAL STATEMENTS

4.1. Consolidated income statement

4.1. Consolidated income statement

<i>In thousands of euros</i>	Notes	2013	2012
Revenue	6	364,280	373,811
Purchases (including change in stocks)		(130,913)	(140,780)
Logistics costs		(8,093)	(7,677)
Staff costs	8	(34,917)	(32,129)
Other operating expenses	7	(72,503)	(78,829)
Other operating income	7	2,274	5,416
Charges to depreciation and amortisation of contract-related intangible assets	14	(4,545)	(4,528)
Charges to depreciation and amortisation	14 / 15	(33,956)	(32,494)
Net charges to provisions		(5,164)	(353)
Other operating expenses	9	(9,881)	(1,786)
Other operating income	9	19,701	1,919
Operating income		86,282	82,571
Cost of financial debt	10	(23,477)	(27,609)
Other financial income	11	608	954
Other financial expenses	11	(661)	(666)
Share of net income of associates		2,723	2,636
Income before tax		65,475	57,887
Tax charge	12	(23,205)	(19,952)
Net income for the year from continuing operations		42,270	37,935
Net income from activities held for sale		5,623	1,400
Net income		47,893	39,335
Income from continuing operations attributable to:			
shareholders of Albioma		36,973	32,055
non-controlling interests		5,297	5,880
Net income attributable to:			
shareholders of Albioma		42,596	33,455
non-controlling interests		5,297	5,880
Basic and diluted earnings per share from continuing operations (in euros)	22	1.270	1.122
Basic and diluted earnings per share from continuing operations and activities held for sale (in euros)	22	1.463	1.171

The notes form an integral part of the consolidated financial statements. The 2012 income statement has been restated in order to present the income of the wind energy business in the line "Net income from activities held for sale" as described in note 2.22.

4.2. Statement of comprehensive income

The statement of comprehensive income presents the net income for the period as well as income and expenses for the period recognised directly in equity, in accordance with IFRS.

<i>In thousands of euros</i>	Notes	2013	2012
Net income		47,893	39,335
Actuarial gains and losses on employee benefits	25	1,031	(2,099)
Deferred tax on actuarial gains and losses	27	(344)	700
Items not available for recycling through profit or loss		687	(1,400)
Translation adjustments		(614)	919
Cash flow hedges (interest rate swaps)	24	11,625	(10,650)
Deferred tax relating to cash flow hedges	27	(3,976)	3,550
Items available for recycling through profit or loss		7,035	(6,181)
Comprehensive income		55,616	31,754
Attributable to:			
shareholders of Albioma		49,881	26,550
non-controlling interests		5,734	5,204

The notes form an integral part of the consolidated financial statements.

4 • CONSOLIDATED FINANCIAL STATEMENTS

4.3. Consolidated statement of financial position

4.3. Consolidated statement of financial position

ASSETS

<i>In thousands of euros</i>	Notes	31/12/2013	31/12/2012
Non-current assets			
Goodwill	13	11,300	11,300
Intangible assets	14	92,916	100,413
Property, plant and equipment	15	761,299	764,258
Non-current financial assets	17	6,216	17,774
Investments in associates	16	24,138	24,051
Deferred tax assets	27	14,681	15,157
Total non-current assets		910,549	932,954
Current assets			
Stocks and work-in-progress	20	46,515	45,694
Trade receivables	19	37,205	43,379
Other current operating assets	21	26,653	29,679
Cash and cash equivalents	18	105,062	79,387
Total current assets		215,434	198,137
Assets of activities held for sale		–	65,577
Total assets		1,125,983	1,196,668

The notes form an integral part of the consolidated financial statements.

EQUITY AND LIABILITIES

<i>In thousands of euros</i>	Notes	31/12/2013	31/12/2012
Shareholders' equity, Group share			
Share capital	22	1,123	1,102
Additional paid-in capital		23,191	16,657
Reserves		270,131	245,398
Translation reserves		(8,013)	(7,415)
Profit for the year attributable to shareholders of Albioma		42,596	33,455
Total equity, Group share		329,028	289,197
Non-controlling interests		64,611	63,654
Total equity		393,639	352,850
Non-current liabilities			
Employee benefits	25	14,425	14,021
Provisions for liabilities	26	7,205	3,153
Deferred tax liabilities	27	67,405	64,857
Non-current financial debt	23	474,883	503,862
Non-current derivatives	24	28,375	39,926
Total non-current liabilities		592,293	625,819
Current liabilities			
Trade payables	28	43,837	47,556
Tax and social security liabilities	29	28,413	21,238
Current financial debt	23	48,737	78,892
Other current operating liabilities	30	19,066	16,968
Total current liabilities		140,052	164,653
Liabilities of activities held for sale		–	53,346
Total equity and liabilities		1,125,983	1,196,668

The notes form an integral part of the consolidated financial statements.

4 • CONSOLIDATED FINANCIAL STATEMENTS

4.4. Statement of changes in shareholders' equity

4.4. Statement of changes in shareholders' equity

<i>In thousands of euros</i>	Share capital	Additional paid-in capital	Reserves and retained earnings	Cash flow hedges	Translation differences Equity	Group share	Non-controlling interests	Total equity
At 31 December 2011	1,095	14,922	287,682	(17,543)	(8,334)	277,822	63,242	341,064
Dividends paid	7	1,735	(16,178)	–	–	(14,436)	(5,362)	(19,798)
Stock options/performance shares	–	–	435	–	–	435	–	435
Impact of changes in consolidation scope	–	–	(1,883)	–	–	(1,883)	570	(1,313)
Treasury shares	–	–	709	–	–	709	–	709
Total transactions with shareholders	7	1,735	(16,917)	–	–	(15,175)	(4,792)	(19,967)
Change in translation differences	–	–	–	–	919	919	–	919
Change in actuarial gains and losses	–	–	(1,314)	–	–	(1,314)	(86)	(1,400)
Change in fair value of hedging derivatives	–	–	–	(6,510)	–	(6,510)	(590)	(7,100)
<i>Items recognised directly in equity</i>	–	–	(1,314)	(6,510)	919	(6,905)	(676)	(7,581)
Net income for the period	–	–	33,455	–	–	33,455	5,880	39,335
Total comprehensive income for the period	–	–	32,141	(6,510)	919	26,550	5,204	31,754
Equity at 31 December 2012	1,102	16,657	302,906	(24,053)	(7,415)	289,197	63,654	352,850
Dividends paid	21	6,534	(16,861)	–	–	(10,306)	(4,962)	(15,268)
Stock options/performance shares	–	–	273	–	–	273	–	273
Treasury shares	–	–	7	–	–	7	–	7
Other changes	–	–	(24)	–	–	(24)	185	161
Total transactions with shareholders	21	6,534	(16,605)	–	–	(10,050)	(4,777)	(14,827)
Change in translation differences	–	–	–	–	(598)	(598)	(16)	(614)
Change in actuarial gains and losses	–	–	641	–	–	641	46	687
Change in fair value of hedging derivatives	–	–	–	7,242	–	7,242	407	7,649
<i>Items recognised directly in equity</i>	–	–	641	7,242	(598)	7,285	437	7,722
Net income for the period	–	–	42,596	–	–	42,596	5,297	47,893
Total comprehensive income for the period	–	–	43,237	7,242	(598)	49,881	5,734	55,615
Equity at 31 December 2013	1,123	23,191	329,538	(16,811)	(8,013)	329,028	64,611	393,639

4.5. Statement of consolidated cash flows

<i>In thousands of euros</i>	2013	2012
Operating activities		
Net income from continuing operations	36,973	32,055
Non-controlling interests	5,297	5,880
Adjustments		
Charges to depreciation, amortisation and provisions	47,028	38,932
Change in deferred tax	(924)	1,865
Share of net income of associates net of dividends received	(711)	(258)
Gains and losses on disposals	–	544
Other non-cash items	273	635
Capitalised financial income	–	(229)
Cost of financial debt	23,477	27,609
Current tax charge for the year	24,129	18,087
Cash flow	135,542	125,120
Impact of the change in the working capital requirement	16,849	6,548
Tax paid	(22,413)	(17,760)
Operating cash flow on activities held for sale	–	6,384
Net cash from operating activities	129,978	120,292
Investing activities		
Acquisitions of non-current assets	(33,980)	(25,324)
Increase in long-term investments	(1,252)	–
Sales proceeds from and reductions in financial assets	7,046	576
Acquisitions and disposals of subsidiaries less any cash acquired or sold	(124)	(2,924)
Investing cash flow on activities held for sale	18,188	732
Net cash from/(used by) investing activities	(10,122)	(26,940)
Financing activities		
Capital increases subscribed by non-Group shareholders	183	–
Change in treasury shares	(360)	702
Dividends paid to shareholders of Albioma SA	(10,306)	(14,436)
Dividends paid to non-controlling interests	(4,962)	(5,366)
Borrowings and financial debt issued or subscribed	53,372	9,782
Cost of financial debt	(23,477)	(27,609)
Borrowings and financial debt repaid	(114,073)	(43,835)
Other	5,485	(145)
Financing cash flow on activities held for sale	–	(5,547)
Net cash from/(used by) financing activities	(94,138)	(86,454)
Impact of currency movements on cash and other changes	(1)	28
Net change in cash and cash equivalents including activities held for sale	25,717	6,926
Impact of reclassification of cash and cash equivalents of activities held for sale	–	(2,675)
Net change in cash and cash equivalents as shown in the statement of financial position	25,717	4,251
Opening cash and cash equivalents of continuing operations	79,198	74,947
Closing cash and cash equivalents	104,915	79,198
Change in cash and cash equivalents	25,717	4,251
Cash	38,196	18,193
Cash equivalents	66,866	61,194
<i>Total cash and cash equivalents</i>	<i>105,062</i>	<i>79,387</i>
Bank overdrafts	(147)	(189)
Net cash and cash equivalents	104,915	79,198

4 • CONSOLIDATED FINANCIAL STATEMENTS

4.6. Notes to the consolidated financial statements

4.6. Notes to the consolidated financial statements

Thanks to its unique expertise developed in the area of bagasse (a by-product of sugarcane), Albioma produces electricity by recovering all forms of biomass, through cogeneration. The Group is also a pioneer in agricultural anaerobic digestion in France. It aims to be recognised as the key partner for the agribusiness sector in the highly-efficient production of energy from biomass, without conflict of use. In addition, Albioma develops and operates highly-profitable photovoltaic projects.

Albioma SA is registered on the Nanterre Trade and Companies Registry under number 775 667 538. Its registered office, which was located at 22 place des Vosges, Immeuble Le Monge, La Défense 5, 92400 Courbevoie, France at the close of the financial year, was transferred to Tour Opus 12, 77 esplanade du Général de Gaulle, 92081 Paris La Défense, France with effect from 10 March 2014.

NOTE 1 - HIGHLIGHTS FOR THE YEAR

The highlights of 2013 for the fully-consolidated and proportionally-consolidated companies were as follows.

1.1. Thermal Biomass activity

- As part of the periodic review of its long-term electricity sale contracts, the Group reached an agreement with EDF to take into account the additional costs associated with changes in circumstances (in particular changes in environmental, social and fiscal regulations) that in recent years have affected the operation of its Le Moule, Le Gol and Bois-Rouge power plants. After approval by the French energy regulatory commission (*Commission de Régulation de l'Énergie – CRE*), contractual amendments setting out that agreement, providing for the adjustment of tariffs as from 2013 and retroactive compensation over a three-year period, were signed with EDF in January 2013 for Albioma Le Moule and in August 2013 for the power plants on Réunion. Given their significant nature, the retroactive elements of the compensation received from EDF are not recognised in “Revenue” but in “Other operating income” (see details in note 9).
- On 28 June 2013, Albioma Le Gol exercised the purchase option on the finance lease for power plant tranche three equipment for the sum of €59 million. On 27 December 2013, Albioma Le Moule also exercised the purchase option on the finance lease of its power plant for the sum of €33 million.
- Coal prices fell 17% compared with the previous year. The average price for the Group dropped from €102 per tonne in 2012 to €85 per tonne in 2013. This trend had a negative impact on the Group's revenues but did not directly affect profit margins, as electricity sale prices are contractually indexed to fuel costs.
- Changes in environmental standards and regulations regarding combustion by-products now require that combustion ash be disposed of at special landfill sites, which entails additional logistics costs, estimated at between €4 million and €5 million, for the coal-fired power plants. The Group is currently examining a number of solutions to reduce these costs over the next few years.

- As regards carbon emissions, with effect from 2013, the electricity sector no longer receives free quota allocations for installations producing exclusively electricity, but only for cogeneration plants. Furthermore, under the terms of agreements reached with EDF during the first half of 2013, the excess charge previously borne by the power plants was removed, with retroactive effect from 1 January 2013. With the exception of Albioma Caraïbes, where such an excess charge remained in force in 2013, contracts between the Group's thermal power plants and EDF now provide for the monthly recharging to EDF of the cost of purchasing quotas on the market, excluding any transaction fees and after the retrocession of free quotas allocated in respect of their cogeneration activity.
- In the context of the new regulations of 1 July 2012 regarding financial guarantees for the safety of facilities classified for the protection of the environment (*Installations Classées pour la Protection de l'Environnement – ICPE*), the Group is required to provide guarantees ensuring the safety of its thermal power plants, and the removal and processing of hazardous products and waste. An evaluation of the relevant costs for the five existing thermal power plants has been drawn up and transmitted to the French regional environment, planning and housing authority (*Directions Régionales de l'Environnement, de l'Aménagement et du Logement – DREAL*). By 30 June 2014, the Group must provide a financial guarantee equal to at least 20% of the estimated cost and the remainder must be provided for at the rate of 20% per annum over the following four years. The total amount of these financial guarantees, estimated at €0.6 million, shall be recorded as off-balance sheet commitments.

1.2. Wind Power business

- The Wind Power business was sold to EDF Énergies Nouvelles on 8 February 2013 for an enterprise value of €59 million, generating a capital gain of €5.6 million net of transfer fees and taxes. The Wind Power business was composed of six windfarms located in mainland France with a combined installed capacity of 56.5MW, which produced 106GWh in 2012, and five projects under development. This transaction forms part of the Group's strategy of concentrating its activities on the production of electricity from biomass and will enable it to mobilise additional resources to develop its projects in the fields of Thermal Biomass, Anaerobic Digestion and Solar Power, both in France and certain foreign countries.

1.3. Holding company

- At the General Meeting of 30 May 2013, the shareholders voted to approve the proposal submitted to them by the Board of Directors to change the company's name: Séchillienne-Sidec became Albioma. This new name, supported by the Group's new visual identity, will better reflect the development strategy for the business of recovering energy from biomass.
- The company Albioma Participações do Brasil, based in the São Paulo region, was formed in July 2013. Its purpose is to bear the exploration and development costs, and to hold shares in companies that are created or acquired in Brazil. A dedicated team is now based locally.

NOTE 2 - ACCOUNTING POLICIES

2.1. Changes to the accounting framework in 2013

The Group's consolidated financial statements for the year ended 31 December 2013 have been prepared in accordance with the framework of International Financial Reporting Standards (IFRS) as adopted by the European Union at 31 December 2013, available on the following website:

http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

The financial statements are presented in thousands of euros and were approved by the Board of Directors at its meeting of 4 March 2014.

Standards, interpretations and amendments to standards subject to mandatory application with effect from 1 January 2013

The accounting principles used for the preparation of the consolidated financial statements for the year ended 31 December 2013 are identical to those used for the preparation of the consolidated financial statements for the year ended 31 December 2012 and set out in the consolidated financial statements published for this latter period, with the exception of the following amendments that are subject to mandatory application with effect from 1 January 2013:

- Amendments to IAS 1 “Presentation of other comprehensive income”;
- Amendments to IFRS 7 “Disclosures relating to the offsetting of financial assets and financial liabilities”;
- Amendments to IAS 12 “Income taxes”;
- IFRS 13 “Fair value measurement”;
- IFRS improvements 2009- 2011 cycle.

The other standards and interpretations subject to mandatory application in 2013 do not have any impact on the Group’s financial statements.

These standards and amendments did not have any material impact on the Group’s financial statements. Regarding IAS 19 “Employee benefits”, the Group had applied this standard in advance, i.e. from the financial year ended 31 December 2012.

Regarding IFRS 13 “Fair value measurement”, the impact predominantly concerns the taking into account of counterparty risk when measuring the fair value of hedging instruments. This risk has not resulted in a significant change in value. The impact has been estimated at a decrease of roughly €300 thousand in the value of financial liabilities.

Standards, interpretations and amendments to standards already published by the IASB and endorsed by the European Union, but whose application was not yet mandatory at 31 December 2013

- IFRS 10 “Consolidated financial statements”;
- IFRS 11 “Joint arrangements”;
- IFRS 12 “Disclosure of interests in other entities”;
- IAS 28 revised “Investments in associates and joint ventures”;
- IAS 32 “Offsetting financial assets and financial liabilities”;
- Amendments to IAS 36 “Impairment of assets”: recoverable amount disclosures for non-financial assets”.

Regarding the other changes, the Group does not anticipate a material impact on its financial statements from the texts published by the IASB and endorsed by the European Union at 31 December 2013, but whose application was not yet mandatory at that date.

Implementation of IFRS 10 and IFRS 11 could result in the equity method consolidation of certain entities which are currently proportionally consolidated, in the absence of any changes in the type of control exercised over these entities. These entities are Quantum Caraïbes and Albioma Power Alliance, which are jointly controlled (50%) by the Group. For the financial year ended 31 December 2013, their contribution to the Group’s statement of financial position and income statement is as follows:

<i>In thousands of euros</i>	
Total assets	6,291
Net borrowings	3,055
Revenue	942
Operating income	374

Their consolidation using the equity method would mean that the income of these entities would be recorded in a separate line “Share of income from associates” and the Group’s share of the net assets of these entities in the line “Investments in associates” in the statement of financial position. These entities would thereby no longer contribute to the other items in the statement of financial position and income statement.

Standards, interpretations and amendments already published by the IASB but not yet endorsed or whose early application is authorised by the European Union

- IFRIC 21 “Levies”

The impact of these texts on the financial statements is currently being analysed. The Group does not expect them to have a material impact on its financial statements.

2.2. Comparability of financial years

The Group has not made any changes in accounting or presentation methods in the financial year ended 31 December 2013.

2.3. Consolidation methods

Exclusively-controlled subsidiaries are fully consolidated. Control results from the Group having the power to direct the financial and operating policies so as to obtain the benefits from their activities. Control is presumed to exist when the Group owns, directly or indirectly, the majority of the voting rights in the company.

The equity method is applied to associated companies over which the Group exercises significant influence (generally more than 20%) but does not have control. Under the equity method, the company’s net assets and net income are consolidated in proportion to the interest held by the parent company in the share capital, as well as, where applicable, related goodwill.

The proportional consolidation method is applied for companies over which the Group exercises joint control. Joint control is the sharing, by virtue of a contractual agreement, of control of an economic activity. Under this consolidation method, the entities’ assets, liabilities, income and expenses are consolidated in proportion to the interest held by the Group in the share capital of these entities.

The financial statements of all consolidated companies are drawn up to 31 December of each year shown.

Inter-company receivables and payables as well as inter-company income and expenses relating to fully-consolidated companies are eliminated in full. Internal margins generated between such companies are also eliminated. Internal results generated between companies that are equity accounted or proportionally consolidated and companies that are fully consolidated are eliminated to the extent of the percentage interest held by the Group in the share capital of the equity-accounted company.

2.4. Revenue from ordinary activities

Revenue from ordinary activities of the Group comes from:

- sales of electricity and steam under energy supply agreements for terms ranging from 25 to 35 years entered into mainly with EDF but also with sugar refineries for the power plants fuelled by bagasse and coal. Income for the year corresponds to the remuneration stipulated by these agreements in respect of each accounting period;
- services provided by the parent company to companies not under its control.

3 • COMPTES CONSOLIDÉS

4.6. Notes aux états financiers consolidés

Riders to the agreements with EDF, supplemented by agreements with the sugar refineries, have facilitated the functional operation of the “bagasse premium” mechanism introduced in 2009 by the authorities in favour of sugarcane planters making an indirect contribution to the production of electricity from bagasse. Under this mechanism, this premium is collected by the producers of this electricity (therefore the Group’s bagasse/coal power plants) and subsequently paid over to its beneficiaries (the planters) via the sugar refineries to which they deliver their sugarcane. The Group thereby acts as an intermediary and does not bear the risks and rewards associated with this premium. As such, in accordance with IAS 18, collection of this premium has no impact on the Group’s revenue. Nor does it have any effect on net income.

The amounts collected from EDF and paid over to the sugar refineries are recognised in the statement of financial position in third-party accounts.

2.5. Operating segments

Segment information is presented based on the internal organisation and reporting structures used by Group management.

The Albioma Group uses the following split for operating segments:

- Thermal Biomass: this segment comprises the thermal power plants that produce electricity;
- Solar Power: this segment comprises the various photovoltaic panel farms as well as the sale of photovoltaic installations and panels to third parties and joint ventures for the share held by third parties;
- Anaerobic Digestion: this segment covers the activities of Methaneo. For the year ended 31 December 2012, Methaneo’s activity essentially related to project development. As such, this activity does not contribute to the profit for the period;
- Holding company: the holding company segment consists of Albioma’s functional activities.

2.6. Classification and presentation principles

Certain transactions for material amounts are classified in “Other operating income” and “Other operating expenses”. In particular, these include:

- disposal gains and losses and significant but unusual impairment of non-current assets, comprising property, plant and equipment as well as intangible assets;
- other operating income and expenses for material amounts.

Cash and cash equivalents comprise cash, current bank accounts, marketable securities that can be realised in the very short term and are readily convertible into cash and which do not present a significant risk of a change in value. The change in cash and cash equivalents analysed in the consolidated statement of cash flows corresponds to cash and cash equivalents net of bank overdrafts. Spot loans are included in the change in debt.

2.7. Business combinations

In accordance with the provisions of IFRS 3 revised, business combinations are recognised using the acquisition method. Under this method, the assets acquired and the liabilities and contingent liabilities assumed are measured at fair value. Goodwill corresponds to the difference between the acquisition price paid at the time of the business combination and the amount of identifiable assets acquired net of any liabilities and contingent liabilities assumed. These are determined on a provisional basis at the time of acquisition and, where applicable, are revised within a period of 12 months with effect from the acquisition date. Goodwill is not amortised and is subject to impairment testing.

Pursuant to IFRS 3 revised:

- acquisition costs are expensed in the period in which they are incurred;
- contingent consideration is estimated at fair value and included in the acquisition cost of the shares.

The Group presents acquisition costs in the line “Other operating expenses” in the income statement.

For each business combination, the Group can choose to measure non-controlling interests either at fair value or on the basis of their share of the identifiable net assets of the entity acquired measured at fair value on the acquisition date.

2.8. Intangible assets

Intangible assets acquired during a business combination are recognised separately when they meet the recognition criteria stipulated in IAS 38.

The fair value of contracts acquired during business combinations is determined by discounting the estimated net cash flows generated by the asset.

Following their initial recognition, contracts are recognised at cost less accumulated amortisation and impairment. Contracts are amortised on a straight-line basis over their residual term, but not exceeding 35 years.

2.9. Property, plant and equipment

Property, plant and equipment mainly comprise installations for the production of steam and electricity. Such items are recognised at cost including all expenses incurred to bring them into service, less any recoverable unpaid VAT, less depreciation and any impairment losses, where applicable. For property, plant and equipment produced internally, the cost includes directly attributable project development costs.

In accordance with IAS 23, the Group capitalises financial charges incurred during the asset construction phase. The interest thus capitalised relates to specific debt assumed to finance the projects in question or pre-financing granted by the lessors during the construction phase.

When the components of an asset have different useful lives, they are recognised separately and depreciated over their specific useful lives when their value is material.

Subsequent expenses incurred for the replacement or improvement of a component of an item of property, plant or equipment are recorded in property, plant and equipment. In the event of replacement, the old component replaced is expensed.

Major spare parts relating to plant safety, so-called strategic parts, are capitalised and depreciated over the useful lives of the plants in question.

Plant maintenance expenditure aimed at maintaining the plants in good working order is expensed as incurred.

Production installations are depreciated on a straight-line basis over their estimated useful lives with effect from the date on which the asset is ready to be brought into service, i.e. as soon as it is in the location and necessary condition to be able to be operated as intended by Management. These installations are depreciated over a period of 40 years for the bagasse/coal thermal power plants, 35 years for the thermal power plants using fuel oil and 20 years for the photovoltaic installations.

Other property, plant and equipment is depreciated on a straight-line basis over periods ranging from two to ten years. Where applicable, the Group revises the useful lives.

Investment grants received are recognised as a reduction against the cost of property, plant and equipment. They are recognised in profit or loss over the useful life of the asset they finance.

2.10. Leases

Asset leases for which the Group is lessee and bears substantially all the risks and enjoys the economic benefits incident to ownership are recognised as finance leases, in particular, leases relating to the financing of power plants.

To restate finance leases, the Group determines the present value of the minimum lease payments. These are the payments that the lessee is, or may be, required to make during the lease term, excluding any conditional lease payments, cost of services and taxes to be paid or reimbursed to the lessor.

The Group identifies agreements that, although not taking the legal form of a lease, can be considered as leases in accordance with IFRIC 4. Agreements considered as leases are then analysed in accordance with IAS 17 "Leases" to determine if they qualify as operating leases or finance leases. Income from finance lease activities is treated as revenue from ordinary activities.

2.11. Impairment of assets

In accordance with IAS 36, the Group regularly determines whether there is any indication that any intangible assets or property, plant and equipment are impaired. When such an indication exists, the Group performs an impairment test to determine if the carrying amount of the asset exceeds its recoverable amount, defined as the higher of the fair value less costs of disposal and the value in use.

An asset's value in use is generally measured by discounting the future cash flows generated by the asset. Assets that do not generate any cash flows that are largely independent of those from other assets are combined into cash-generating units (CGUs). Each thermal power plant and photovoltaic installation constitutes a CGU of the Group.

The data used to perform the tests using the discounted cash flow method are taken from:

- business plans established at the outset of the project and covering the term of the electricity sale agreements, the underlying assumptions being updated on the test date; or
- Group business plans established annually and covering the term of the agreements (from 15 to 40 years).

The main assumptions on which these tests are based concern electricity selling prices, set contractually, and, for the photovoltaic installations, equivalent full-power hours (EFPH).

2.12. Stocks

Stocks mainly comprise fuels, supplies and non-strategic spare parts needed for operation of the power plants as well as solar panels and inverters. Note that strategic parts are recognised in non-current assets. Stocks are measured at cost price or net realisable value (market price) if this is lower than the purchase cost.

2.13. Financial assets

Financial assets comprise operating receivables, deposits and cash collateral relating to leases, term deposits, loans, non-consolidated investments, short-term investments and cash equivalents and derivatives with a positive value. The measurement methods applied to financial assets are as follows:

- short-term investments and cash equivalents are measured at fair value, fair value adjustments being recorded in profit or loss;
- operating receivables, security deposits and term deposits are recognised at face value. This method does not result in material differences with the amortised cost method using the effective interest rate. In the event of difficulty in collecting receivables, impairment losses are recognised on the basis of projected receipts.

The methods used for derivatives with a positive market value are explained in note 2.15.

2.14. Financial liabilities

Financial liabilities comprise financial debt, operating liabilities and derivatives with a negative market value. The specific case of derivatives with a negative market value is covered below.

In accordance with IAS 39, applied since 1 January 2005, financial debts are initially measured at fair value less transaction costs and subsequently using the amortised cost method using the effective interest rate. This method does not result in material differences compared with their face value. Operating liabilities are measured using the amortised cost method.

Financial liabilities are split between current and non-current liabilities. Current liabilities essentially consist of financial liabilities falling due within the 12 months following the closing date.

2.15. Derivatives

The purpose of the derivatives used by the Group is to hedge interest rate risks on the borrowings and leases entered into at variable interest rates. In accordance with IAS 32 and IAS 39 covering the measurement and recognition of financial instruments, derivatives with a positive market value are recognised in assets, while those with a negative market value are recognised in liabilities. When they are not considered for accounting purposes as cash flow hedges, changes in the fair value of such instruments are recorded in profit or loss, otherwise they are recognised in other comprehensive income (recyclable components) for the effective portion of the hedge and in profit or loss for the ineffective portion.

In accordance with IAS 39, embedded derivatives are recognised separately from their host contract on the contract start date and are measured at fair value, in the same way as stand-alone derivatives entered into with a bank. These derivatives are recorded in the statement of financial position at their fair value, in assets or liabilities depending on whether this value is positive or negative. Changes in the fair value of such instruments are recorded in profit or loss, except for derivatives that qualify as hedges of a net investment in a foreign operation, for which the change in fair value is recorded in change in translation reserves (in other comprehensive income). On disposal of a foreign entity covered by a net investment hedge, the currency loss or profit recognised in translation reserves is recognised in profit or loss.

2.16. Employee benefits

Employee benefits comprise defined contribution plans and defined benefit plans.

Defined contribution plans refer to post-employment benefit plans by virtue of which the Group pays defined contributions to various employee welfare bodies. The contributions are paid in exchange for services rendered by the employees in respect of the financial year. They are expensed as incurred.

Defined benefit plans refer to plans that provide employees with guaranteed additional funds. For the Group, this guarantee of additional funds constitutes a future service for which an obligation is calculated. The provision is calculated by estimating the amount of benefits that the employees will have accumulated in exchange for services rendered during the year and previous years.

Changes to an existing plan or introduction of a new plan for post-employment benefits or other long-term benefits may result in an increase in the present value of the obligation in respect of defined benefits for services rendered during previous years, known as "past service cost". This past service cost is recognised in profit or loss for the period.

In the Albioma Group, defined benefit plans cover post-employment benefits and other long-term benefits.

4 • CONSOLIDATED FINANCIAL STATEMENTS

4.6. Notes to the consolidated financial statements

2.16.1. Post-employment benefits

Post-employment benefits comprise:

- lump-sum retirement payments;
- defined benefit plans reserved for certain employees of the parent company in addition to the previous plan;
- specific pensions for the benefit of the employees of certain subsidiaries in connection with the Electricity and Gas Industries plan and the guarantee to maintain certain specific benefits after their retirement.

In accordance with IAS 19 “Employee benefits”, they are measured annually using the projected unit credit method, length of service being taken into account on a pro rata basis.

The discount rate used on the closing date is established based on actual yields on French corporate bonds at the year end.

Actuarial gains and losses result from revised assumptions and from differences between the estimated results based on the actuarial assumptions and the actual results. These variances are recognised immediately in other comprehensive income for all actuarial gains and losses in respect of defined benefit plans. The impact of the unwinding of the discount on the provision for employee benefits is recorded in net financial income within “Other financial expenses”.

2.16.2. Other long-term benefits

Other long-term benefits mainly comprise additional medical coverage. A provision is calculated using the same methods, assumptions and frequency as those used for the measurement of post-employment benefits.

Actuarial gains and losses arising from the measurement of other long-term benefits are recognised directly in profit or loss in the year in which they occur.

2.17. Provisions for liabilities

Provisions are recognised when:

- the Group has a present obligation as a result of a past event;
- it is probable that an outflow of resources representing economic benefits will be needed to settle the obligation;
- the amount of the obligation can be estimated reliably.

Provisions for dismantling

Dismantling costs are included in the initial cost of installations when the Group has a legal or implied obligation to dismantle. As a rule, the Group has no present, legal or implied obligation to dismantle pursuant to the criteria of IAS 37 “Provisions, contingent liabilities and contingent assets”, such an obligation being likely to appear only once the activities of an installation definitively cease. At 31 December 2013, the Group is not planning to cease the activities of any of its installations currently in operation.

For the Thermal Biomass sector, the Group has filed, with the administrative bodies, a dossier justifying the financial guarantees to be put in place for the safety of installations classified for the protection of the environment (Installations Classées pour la Protection de l’Environnement – IPCE). Review of this dossier was ongoing at 31 December 2013. The relevant figures compiled by Albioma were presented as off-balance sheet commitments at 31 December 2013.

For the Solar Power sector, dismantling costs are considered to be immaterial.

2.18. CO₂ quotas

The Group’s thermal power plants located in the overseas *départements* are included in operations subject to regulations regarding the allocation of carbon dioxide (CO₂) emission quotas. The following thermal power plants are concerned: Albioma Bois-Rouge, Albioma Le Gol, Albioma Le Moule, Albioma Galion and Albioma Caraïbes.

After taking into account the impact of the riders to the electricity sale agreements, any variance between available quotas and surrender obligations on maturity is covered by provisions calculated on the basis of the market value at the closing date and included in other current liabilities.

The quotas acquired and used in respect of the shortfalls for the period are presented in other operating expenses. The amounts billed to EDF pursuant to the riders are recognised in other operating income.

The quotas acquired during the financial year and which are unutilised are recognised in stocks. At 31 December 2013, they were valued at €0.1 million.

2.19. Tax

Corporation tax

The corporation tax charge shown in the income statement comprises tax payable in respect of the current period and deferred tax.

Deferred tax is recognised on all temporary differences between the amounts for accounting and tax purposes of asset and liability items, as well as on tax losses available for carry forward. Deferred tax assets are recognised only when they are likely to be recovered. The bulk of these deferred taxes stems from temporary differences on certain assets, particularly intangible assets, in the consolidated financial statements.

Deferred taxes are measured at the tax rate enacted by the relevant body at the closing date, based on when the temporary differences are expected to reverse. The liability method is applied and the impact of any changes in the tax rate is recognised in the income statement except for changes relating to items recognised directly in equity. Deferred taxes are not discounted.

Territorial Economic Contribution (*Contribution Économique Territoriale – CET*)

The 2010 Finance Act introduced a Territorial Economic Contribution (*Contribution Économique Territoriale – CET*) to replace the business tax (*Taxe Professionnelle*). The CET incorporates two new contributions: contribution for enterprise land value (*Contribution Foncière des Entreprises – CFE*) and contribution for enterprise added value (*Cotisation sur la Valeur Ajoutée des Entreprises – CVAE*). For the financial years presented, the Group has recognised these two contributions in operating income within the item “Taxes and duties (other than corporation tax)”.

2.20. Share-based payments

Allotment of stock subscription options and bonus shares subject to performance conditions

In accordance with IFRS 2, the fair value of options and bonus share allotments is determined based on methods suited to their characteristics:

- subscription options, not subject to any share price performance conditions, are measured using the Black and Scholes model;
- subscription options allocated in 2010, with performance conditions, are measured using a binomial-based mathematical model;
- bonus shares allocated in 2009 and 2012, subject to share price performance conditions, are measured using the Monte Carlo model.

The fair value on the allotment date of the share subscription or purchase options is recognised in expenses over the option vesting period, based on the probability of these options being exercised before their expiry, with a corresponding increase in consolidated reserves.

For allotments of bonus shares and stock subscription options subject to performance conditions, the rights vesting period corresponds to the most probable timeframe for fulfilment of the performance conditions. The parameters used in this model are described in note 22.1.

At each closing date, the Group assesses the probability of loss of rights to the options or bonus shares prior to the end of the vesting period. Where applicable, the impact of the revision of these estimates is recognised in profit or loss with a corresponding movement in consolidated reserves. The performance conditions are not revised in the event of changes in market conditions.

2.21. Currency translation

Transactions denominated in foreign currency are recognised at the exchange rate prevailing on the transaction date. At the year end, receivables and payables in foreign currency are translated at the exchange rate prevailing on this date, with any resulting differences being recognised in profit or loss.

Investments in the Mauritian companies are equity accounted in the statement of financial position based on the exchange rate prevailing at the end of the accounting period, while the share of profit or loss attributable to the Group is translated at the average rate for the year. Resulting translation differences are recorded directly in equity.

2.22. Activities held for sale

On 11 February 2013, Albioma SA announced the sale of its wind energy business to EDF Énergies Nouvelles for €59 million plus an earn-out for projects under development. Following this sale, the assets and liabilities of activities held for sale were removed from the statement of financial position and the net result of the sale was recorded in the line "Net income from activities held for sale", being €5.6 million net of transfer fees and taxes.

The Group also benefits from earn-outs on a portfolio of projects which have been sold. These earn-outs relate to projects under development that are identified in the sale agreement. They are conditional on the projects concerned being brought into service and expire at the end of the fifth year following the transaction closing date.

The formula used to determine the earn-out is established according to the value of a reference project and the differential between the installation's actual production and the theoretical production determined using the P50 EFLH probability table. If the real wind conditions are more favourable than the reference wind conditions, an earn-out is due.

For the year ended 31 December 2013, the Group did not recognise any income under this earn-out, as the conditions had not been fulfilled at the close of the financial year.

NOTE 3 - MANAGEMENT ESTIMATES

Preparation of the financial statements requires the Group to make best estimates and assumptions that affect the carrying amounts of assets and liabilities, information relating to contingent assets and liabilities, and the amount of income and expenses recorded during the period. Actual future results may differ from these estimates.

The main items in the financial statements for which the Group uses material estimates are as follows:

IAS 17 "Leases" and IFRIC 4 "Determining whether an arrangement contains a lease"

The Group may enter into an agreement, including a transaction or a series of related transactions, that does not take the legal form of a lease but which confers the right to use an asset (e.g. a piece of property, plant or equipment) in return for a payment or a series of payments. The interpretation IFRIC 4 indicates the approach to be followed to determine whether agreements of this kind constitute or contain leases to be recognised in accordance with IAS 17 (lease accounting). To determine whether an agreement constitutes or contains a lease, one must consider the substance of the agreement and assess if execution of the agreement depends on the use of one or more specific assets and if the agreement confers a right to use the asset. Analysis of these criteria assumes that Management makes use of estimates. Given their characteristics, certain of the Group's sale agreements may fall within the scope of application of IFRIC 4. To classify an agreement, Management must exercise its judgement in order to determine if the agreement results in the transfer to the customer of virtually all the risks and rewards inherent in ownership of the asset by assessing if execution of the agreement depends on the use of a specific asset and if the agreement confers a right to use the asset.

Group Management believes that there is no transfer of virtually all the risks and rewards attached to the agreements for sale of electricity to EDF and that, as a result, any leases that exist are not treated as finance leases.

When an agreement meets the criteria for a finance lease in accounting terms, determining the fair value of the leased asset and the present value of minimum lease payments also implies the formulation of a judgement by Management.

SIC 27 "Evaluating the substance of transactions in the legal form of a lease"

The Group may enter into a transaction or a structured series of transactions (an agreement) taking the legal form of a lease with one or more investors in order to finance its property, plant and equipment. A series of transactions assuming the legal form of a lease are related and must be recognised for accounting purposes as a single transaction when their overall economic impact cannot be understood without reference to the series of transactions as a whole. Analysis of the substance of agreements assumes that Management makes estimates and formulates judgements. If the agreement does not meet the conditions to be recognised for accounting purposes as a lease, Management's estimates and judgements concern the facts and circumstances specific to each agreement, so as to determine when a fee received by the Group, where applicable, must be recognised in income. Such a fee is recognised only when it is probable that the economic benefits associated with the transaction will accrue to the entity and the outcome of the transaction can be reliably assessed, which assumes that Management relies on estimates and formulates judgements. This analysis is performed on a case-by-case basis.

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4.6. Notes to the consolidated financial statements

IFRS 3 “Business combinations”

All business combinations are recognised using the acquisition method. As a result, the Group recognises the acquired entity’s identifiable assets, liabilities and contingent liabilities at their fair value on the acquisition date, and also recognises the goodwill. The values attributed to the assets acquired and liabilities assumed are subject to Management’s estimates, e.g. the expected cash flows on the assets and discount rates used.

IAS 16 “Useful lives of non-current assets”

Property, plant and equipment and intangible assets other than goodwill are recognised at cost and are depreciated or amortised over economic useful lives based on estimates made by Management. When Management observes that the actual useful lives differ substantially from the estimates used to calculate the depreciation or amortisation, this difference gives rise to adjustments in subsequent periods. Given the significance of the Group’s non-current assets, differences between actual useful lives and estimated useful lives could have a material impact, positive or negative, on its operating income.

IAS 36 “Impairment of non-current assets”

Property, plant and equipment and intangible assets are subject to impairment testing when circumstances indicate that the asset’s carrying amount may not be fully recoverable. When such indications exist, the Group performs impairment tests in order to verify that the asset’s carrying amount does not exceed its recoverable amount, which is defined as the higher of: (i) fair value less costs to sell; and (ii) the value in use. An asset’s value in use is generally determined by discounting the future cash flows expected to be generated by the asset. To estimate the future cash flows on property, plant and equipment and intangible assets, Management formulates a judgement according to its intended use of the asset, notably as regards future income, expenses, discount rates, etc.

The impairment tests are performed on the basis of business plans drawn up by the General Management Committee and approved by the Board of Directors.

IAS 12 “Income taxes”

The Group previously benefited directly from certain tax advantages corresponding to a percentage of eligible direct investments made in the form of capital contributions in assets located in the French overseas *départements*. These capital contributions were deductible from the taxable profit according to the date on which the tax benefits were approved. Approval from the public authorities was conditional on the continuing operation of the asset and conservation for a period of five years, in all cases, of the shares received in exchange for the capital contributions.

These tax benefits did not fall directly within the scope of application of either IAS 12 “Income taxes” or IAS 20 “Accounting for government grants”. Management therefore exercised its judgement to determine the accounting treatment to be applied and concluded that an analogy with IAS 12 was appropriate. The tax benefit was therefore recognised as a reduction of the tax on current income when there was reasonable assurance that the Group would meet all the conditions for grant of the tax relief and the capital contribution became deductible from the taxable income for the current year.

Deferred tax assets are recognised for the amounts of tax on the profit recoverable in future years in respect of deductible temporary differences and the carry forward of unutilised tax losses and tax credits. To determine if a deferred tax asset is to be recognised in respect of the carry forward of unutilised tax losses and tax credits, Management examines the probability of these unutilised tax losses and tax credits being used against a future taxable profit. Management takes into account past and projected results, the future taxable profit and the combination of results and strategies, both existing and realisable, in matters of tax planning.

IAS 39 “Fair value of financial derivatives and embedded derivatives”

The best indication of the fair value of a contract is the price that would be agreed between knowledgeable, willing parties in an arm’s length transaction. On the transaction date, fair value generally corresponds to the transaction price. Subsequently, fair value is determined based on observable market data, which provide the most reliable indications concerning the change in a contract’s fair value.

Market-based measurements, particularly those that are not based on readily available listed prices, include an intrinsic margin of uncertainty. This uncertainty increases with the term of the underlying contracts and when the underlying market is limited due to low transaction volumes. Market-based measurements may also differ substantially from the actual profits and losses realised on maturity of the contract due to changes in market conditions or specific events such as changes made to the underlying contract. More generally, any changes in the facts and circumstances relating to market conditions and the underlying assumptions used for measurement purposes may have an impact on the Group’s net financial income and equity.

Other estimates

Concerning retrocessions of tax benefits, the Group recognises the impact of tax relief measures only when it is probable that the economic benefits associated with the transaction will accrue to the Group and the outcome of the transaction can be reliably measured. The Group considers the economic benefits associated with the transaction to be probable as soon as it receives the necessary approvals, the installations meet the conditions required, notably regarding grid connection, and investors have committed to the operations.

NOTE 4 - CHANGES IN THE CONSOLIDATION SCOPE

As indicated in note 2.22, the Group has sold its Wind Power entities. There were no other material changes in the consolidation scope over the period.

NOTE 5 - OPERATING SEGMENTS

5.1. Information by business segment

Year ended 31 December 2013

<i>In thousands of euros</i>	Thermal Biomass	Wind Power	Solar Power	Anaerobic Digestion	Holding company and other	Eliminations	Total	Activities held for sale	IFRS financial statements
Income statement									
Revenue from ordinary activities	321,048	–	41,020	–	2,212	–	364,280	–	364,280
Inter-segment	–	–	–	–	11,014	(11,014)	–	–	–
Revenue from ordinary activities	321,048	–	41,020	–	13,226	(11,014)	364,280	–	364,280
EBITDA¹	108,769	5,619	31,448	–	(6,644)	–	139,192	(5,623)	133,569
Operating income	79,850	5,619	14,719	–	(8,283)	–	91,905	(5,623)	86,282
Share of net income of associates	2,723	–	–	–	–	–	2,723	–	2,723
Net financial income	–	–	–	–	–	–	(23,530)	–	(23,530)
Tax charge	–	–	–	–	–	–	(23,205)	–	(23,205)
Net income from activities held for sale	–	–	–	–	–	–	–	5,623	5,623
Net income for the year	–	–	–	–	–	–	47,893	–	47,893
Statement of financial position									
Goodwill	7,313	–	950	3,037	–	–	11,300	–	11,300
Intangible assets	89,817	–	2,696	262	141	–	92,916	–	92,916
Property, plant and equipment	515,066	–	219,276	22,270	4,687	–	761,299	–	761,299
Investments in associates	24,138	–	–	–	–	–	24,138	–	24,138
Current assets	90,106	15	28,651	5,473	91,189	–	215,434	–	215,434
Other non-current assets (including deferred tax)	14,028	117	2,990	2,138	1,624	–	20,896	–	20,896
Activities held for sale	–	–	–	–	–	–	–	–	–
Total assets	740,468	132	254,562	33,180	97,641	–	1,125,983	–	1,125,983
Shareholders' equity	226,140	1,856	54,438	1,025	110,180	–	393,639	–	393,639
Non-current financial debt	249,218	–	165,657	11,800	48,208	–	474,883	–	474,883
Other non-current liabilities (including deferred tax)	92,334	6	21,744	1,900	1,426	–	117,410	–	117,410
Current liabilities	76,054	119	(9,802)	10,280	63,273	–	139,922	–	139,922
Inter-segment eliminations	96,722	(1,850)	22,527	8,175	(125,445)	–	129	–	129
Activities held for sale	–	–	–	–	–	–	–	–	–
Total equity and liabilities	740,468	131	254,563	33,180	97,641	–	1,125,983	–	1,125,983
Other information									
Investments in non-current assets	18,968	–	1,752	9,499	3	–	30,222	–	–
Charges to depreciation and amortisation	(24,497)	–	(16,521)	–	(383)	–	(41,401)	–	–

1. EBITDA: operating income before charges to depreciation, amortisation and provisions, net of reversals.

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4.6. Notes to the consolidated financial statements

Year ended 31 December 2012

<i>In thousands of euros</i>	Thermal Biomass	Wind Power	Solar Power	Anaerobic Digestion	Holding company and other	Eliminations	Total	Activities held for sale	IFRS financial statements
Income statement									
Revenue from ordinary activities	330,860	9,444	41,213	–	1,738	–	383,255	(9,444)	373,811
Inter-segment	–	–	–	–	12,050	(12,050)	–	–	–
Revenue from ordinary activities	330,860	9,444	41,213	–	13,788	(12,050)	383,255	(9,444)	373,811
EBITDA¹	92,295	6,787	31,943	–	(3,790)	–	127,235	(6,787)	120,448
Operating income	69,551	4,131	17,773	–	(4,754)	–	86,701	(4,130)	82,571
Share of net income of associates	2,636	–	–	–	–	–	2,636	–	2,636
Net financial income	–	–	–	–	–	–	(29,334)	2,014	(27,321)
Tax charge	–	–	–	–	–	–	(20,668)	716	(19,952)
Net income from activities held for sale	–	–	–	–	–	–	–	1,400	1,400
Net income for the year	–	–	–	–	–	–	39,335	–	39,335
Statement of financial position									
Goodwill	7,313	–	950	3,037	–	–	11,300	–	11,300
Intangible assets	95,276	–	2,849	2,267	21	–	100,413	–	100,413
Property, plant and equipment	514,246	56,656	234,135	10,806	4,453	–	820,296	(56,038)	764,258
Investments in associates	24,051	–	–	–	–	–	24,051	–	24,051
Current assets	105,010	5,617	37,500	4,466	51,162	–	203,754	(5,617)	198,137
Other non-current assets (including deferred tax)	21,653	3,922	2,613	1,281	7,384	–	36,853	(3,922)	32,931
	–	–	–	–	–	–	–	65,577	65,577
Total assets	767,550	66,195	278,047	21,857	63,020	–	1,196,668	–	1,196,668
Shareholders' equity	194,937	1,767	56,710	1,578	97,858	–	352,850	–	352,850
Non-current financial debt	267,021	44,219	177,822	8,674	50,345	–	548,081	(44,219)	503,862
Other non-current liabilities (including deferred tax)	96,110	2,085	24,544	620	3,421	–	126,780	(4,823)	121,957
Current liabilities	82,207	3,770	(10,886)	5,151	88,715	–	168,957	(4,305)	164,653
Inter-segment eliminations	127,274	14,354	29,857	5,834	(177,319)	–	–	–	–
Activities held for sale	–	–	–	–	–	–	–	53,346	53,346
Total equity and liabilities	767,550	66,195	278,047	21,857	63,020	–	1,196,668	(1)	1,196,668
Other information									
Investments in non-current assets	10,120	805	1,791	5,991	921	–	19,628	–	–
Charges to depreciation and amortisation	(23,063)	(3,552)	(13,350)	–	(613)	–	(40,578)	–	–

1. EBITDA: operating income before charges to depreciation, amortisation and provisions, net of reversals.

The line "Inter-segment eliminations" includes the neutralisation of intra-Group operations as well as shares held by Albioma SA in subsidiaries within the segments. These shares are recorded as a reduction in equity of the relevant subsidiaries in the information presented above.

A reconciliation between operating income and EBITDA is shown below:

<i>In thousands of euros</i>	2013	2012
Operating income	86,282	82,571
Amortisation of contracts	4,545	4,528
Depreciation of non-current assets	33,956	32,494
Net charges to provisions (including employee benefits)	5,164	353
Net charges to provisions recognised in other operating income and expenses	3,622	502
EBITDA from continuing operations	133,569	120,448

Other segment assets comprise stocks, trade receivables and other debtors.

Segment liabilities comprise specific liabilities relating to operating sites, provisions for employee benefits, other provisions for liabilities and charges (excluding provisions for risks relating to non-consolidated entities), trade payables and other creditors.

5.2. Information by region

The Albioma Group uses the following split for regions:

- French overseas *départements*: Guadeloupe, Martinique, Réunion, Guyana;
- mainland France;
- outside France: Mauritius, Italy and Spain.

Year ended 31 December 2013

<i>In thousands of euros</i>	Overseas <i>départements</i>	Mainland France	Outside France	Eliminations	Total	Activities held for sale	IFRS financial statements
Revenue from ordinary activities	356,623	16,198	2,473	(11,014)	364,280	–	364,280
Share of net income of associates	–	–	2,723	–	2,723	–	2,723
Goodwill, non-current assets	802,224	48,072	15,193	–	865,515	–	865,515

Year ended 31 December 2012

<i>In thousands of euros</i>	Overseas <i>départements</i>	Mainland France	Outside France	Eliminations	Total	Activities held for sale	IFRS financial statements
Revenue from ordinary activities	365,489	27,261	2,555	(12,050)	383,255	(9,444)	373,811
Share of net income of associates	–	–	2,636	–	2,636	–	2,636
Goodwill, non-current assets	818,304	94,438	19,267	–	932,009	(56,038)	875,971

NOTE 6 - REVENUE FROM ORDINARY ACTIVITIES

Consolidated revenue from ordinary activities can be analysed as follows:

<i>In thousands of euros</i>	2013	2012
Sale of electricity and steam	362,068	371,151
Services	2,212	2,660
Revenue from ordinary activities	364,280	373,811

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4.6. Notes to the consolidated financial statements

NOTE 7 - OTHER OPERATING INCOME AND EXPENSES

Other operating expenses

Other operating expenses comprise all expenses other than purchases, logistics costs and staff costs. They include notably the cost of CO₂ quotas acquired and consumed during the year.

Other operating income

Other operating income includes the amount of CO₂ quotas billed to EDF and insurance indemnities received following claims.

NOTE 8 - STAFF COSTS

Staff costs are analysed below:

<i>In thousands of euros</i>	2013	2012
Wages and salaries	22,159	19,067
Social security charges	10,280	9,592
Profit-sharing and incentive schemes	2,205	3,035
Share-based payments	273	435
Total staff costs	34,917	32,129
Net charges to provisions related to employee benefits	1,631	1,598
Total staff costs including employee benefits	36,548	33,727

To help develop the Group's new projects, particularly in Brazil, the teams were strengthened over the year. Furthermore, the Group established a hothouse of young engineers who will fulfil its future needs in terms of managing operations.

NOTE 9 - OTHER OPERATING INCOME AND EXPENSES

Other operating income and expenses can be analysed as follows:

<i>In thousands of euros</i>	2013	2012
Other income	19,701	1,919
Other operating income	19,701	1,919
Impairment of projects and assets	(2,900)	(461)
Litigation provision	(780)	(799)
Other expenses	(6,201)	(526)
Other operating expenses	(9,881)	(1,786)
Total other operating income and expenses	9,820	133

For the year ended 31 December 2013, other income mainly includes the retroactive compensation over a three-year period, provided for in the agreements entered into with EDF, to take into account the new circumstances which affected the economic equilibrium of the contracts. Other expenses include, in particular, the effects associated with these adjustments as well as retroactive payment of compensation relating to disputes or legal action. This line also includes the costs related to the change in the Group's name.

For the year ended 31 December 2012, other operating income essentially relates to compensation received in connection with disputes and an insurance claim receivable following destruction of an installation. The expenses relating to this incident are included in other operating expenses.

NOTE 10 - COST OF FINANCIAL DEBT

Cost of financial debt comprises the following items:

<i>In thousands of euros</i>	2013	2012
Financial expenses on financial debt	(11,979)	(11,434)
Financial expenses on leases	(11,498)	(16,175)
Cost of financial debt	(23,477)	(27,609)

For the year ended 31 December 2013, the amount recognised in financial expenses in respect of hedging financial instruments amounted to €4.5 million compared with €4.2 million in 2012. These amounts correspond to the recycling in profit or loss of the fair values previously recognised in equity. Furthermore, the amount of financial fees invoiced by lessors for swaps embedded in finance leases amounted to €3.7 million in 2013 compared with €3.0 million in 2012.

NOTE 11 - OTHER FINANCIAL INCOME AND EXPENSES

Other financial income and expenses comprise the following items:

<i>In thousands of euros</i>	2013	2012
Currency gains	2	–
Proceeds from the sale of marketable securities	110	115
Other financial income	496	839
Financial income	608	954
Impact of unwinding the discount on the provision for employee benefits	(449)	(476)
Change in the fair value of financial instruments	(150)	(142)
Other financial expenses	(62)	(48)
Other financial expenses	(661)	(666)

NOTE 12 - TAX CHARGE

The corporation tax charge can be analysed as follows:

<i>In thousands of euros</i>		2013	2012
Operating income		86,282	82,571
Cost of financial debt		(23,477)	(27,609)
Other financial income and expenses		(53)	288
Income before tax and share of net income of associates	(A)	62,752	55,250
Tax charge	(B)	(23,205)	(19,952)
Effective tax rate (B)/(A)		36.98%	36.11%

The tax charge for the period comprises as follows:

<i>In thousands of euros</i>	2013	2012
Current tax charge	(23,096)	(18,087)
Tax on dividend payments	(1,033)	–
Deferred tax	924	(1,865)
Total corporation tax	(23,205)	(19,952)

A reconciliation between the actual tax charge and the theoretical tax charge is shown below:

	2013			2012		
	Base (thousands of euros)	Rate	Tax (thousands of euros)	Base (thousands of euros)	Rate	Tax (thousands of euros)
Theoretical tax charge	62,752	-33.33%	(20,915)	55,250	-33.33%	(18,415)
Tax on dividend payments	–	-1.6%	(1,033)	–	–	–
Non-deductible interest	–	-0.8%	(473)	–	-1.6%	(867)
Non-taxable income	–	–	–	–	-0.5%	(254)
Deferred tax assets not recognised	–	-0.5%	(285)	–	–	–
Other	–	-0.8%	(499)	–	-0.8%	(416)
Tax charge recognised	62,752	-36.98%	(23,205)	55,250	-36.11%	(19,952)

NOTE 13 - GOODWILL

<i>In thousands of euros</i>	Net amount
At 31 December 2011	8,263
Effect of business combinations	3,037
At 31 December 2012	11,300
Change for the period	–
At 31 December 2013	11,300

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4.6. Notes to the consolidated financial statements

For the year ended 31 December 2012, the change in goodwill related to the acquisition of control of Methaneo. The split of goodwill by activity is as follows:

- Thermal Biomass:
 - Albioma Bois-Rouge: €3.3 million,
 - Albioma Le Gol: €1.7 million,
 - Albioma Le Moule: €2.3 million;
- Anaerobic Digestion: €3 million;
- Solar Power: €1 million.

This goodwill is subject to an impairment test based on the assumptions presented in note 15 “Property, plant and equipment”.

NOTE 14 - INTANGIBLE ASSETS

<i>In thousands of euros</i>	Agreements for the supply of electricity and steam	Other intangible assets	Total intangible assets
Gross amount			
At 31 December 2011	135,032	1,634	136,666
Acquisitions	–	1,494	1,494
Changes in consolidation scope	–	1,326	1,326
Other movements	–	681	681
At 31 December 2012	135,032	5,135	140,167
Acquisitions	–	616	616
Disposals	–	(1,562)	(1,562)
Reclassifications	–	(2,747)	(2,747)
At 31 December 2013	135,032	1,442	136,474
Amortisation and impairment			
At 31 December 2011	(34,344)	(192)	(34,536)
Amortisation charge for the period	(4,528)	–	(4,528)
Impairment	–	(244)	(244)
Reversal of impairment	–	486	486
Changes in consolidation scope	–	(251)	(251)
Other movements	–	(681)	(681)
At 31 December 2012	(38,872)	(882)	(39,754)
Amortisation charge for the period	(4,545)	(144)	(4,689)
Reversal of impairment	–	309	309
Disposals	–	81	81
Reclassifications	–	495	495
At 31 December 2013	(43,417)	(141)	(43,558)
Net amount			
At 1 January 2012	100,688	1,442	102,130
At 31 December 2012	96,160	4,253	100,413
At 31 December 2013	91,615	1,301	92,916

The gross amount of intangible assets comprises:

- the fair value of agreements for the delivery of energy entered into by the thermal power plants (Albioma Bois-Rouge, Albioma Le Moule and Albioma Le Gol) with the EDF group when acquiring control of these entities on 1 October 2004, amortised over the residual lives of said agreements;
- the fair value of agreements entered into by the Albioma Solaire Réunion and Plexus Sol entities, recognised when allocating the acquisition price of these entities. These agreements are amortised over a period of 20 years.

Impairment of other intangible assets is presented in the line “Charges to provisions” in the income statement. Reversals of impairment losses are presented in the line “Reversals of provisions” in the income statement.

NOTE 15 - PROPERTY, PLANT AND EQUIPMENT

<i>In thousands of euros</i>	Installations in service	Work in progress	Total
Gross amount			
At 31 December 2011	1,033,224	7,904	1,041,128
Acquisitions	6,331	11,803	18,134
Disposals	(941)	–	(941)
Changes in consolidation scope	581	5,510	6,091
Reclassifications	278	(515)	(237)
Assets of activities held for sale	(69,984)	–	(69,984)
At 31 December 2012	969,489	24,702	994,191
Acquisitions	9,651	20,592	30,243
Disposals	(71)	(90)	(161)
Reclassifications	7,413	(4,844)	2,569
At 31 December 2013	986,482	40,360	1,026,842
Depreciation and impairment			
At 31 December 2011	(204,611)	(3,006)	(207,617)
Depreciation charge for the period	(36,050)	–	(36,050)
Impairment of assets and projects	(461)	–	(461)
Reversal of impairment	900	–	900
Disposals	142	–	142
Reclassifications	(1,423)	630	(793)
Assets of activities held for sale	13,946	–	13,946
At 31 December 2012	(227,557)	(2,376)	(229,933)
Depreciation charge for the period	(33,682)	–	(33,682)
Impairment of assets and projects	(2,900)	(131)	(3,031)
Disposals	50	90	140
Reclassifications	1,299	(337)	962
At 31 December 2013	(262,790)	(2,754)	(265,544)
Net amount			
At 1 January 2012	828,613	4,898	833,511
At 31 December 2012	741,932	22,326	764,258
At 31 December 2013	723,693	37,606	761,299

On 28 June 2013, Albioma Le Gol exercised the purchase option on the finance lease for power plant tranche 3 equipment for the sum of €59 million. On 27 December 2013, Albioma Le Moule also exercised the purchase option on the finance lease for its power plant for the sum of €33 million.

Interest capitalised in respect of 2013 amounts to €0.2 million, predominantly for the Anaerobic Digestion installations under development. The amount of this item was immaterial in 2012.

For the year ended 31 December 2012, the depreciation charge included €3.6 million in respect of the Wind Power business. These depreciation charges were presented in the line "Net income from activities held for sale" in the income statement.

Impairment testing

At 31 December 2013, the Group carried out impairment tests on the installations that can present indications of a loss in value using the methodology described in note 2.11 ("Impairment of assets"). These impairment tests resulted in the recognition of an asset impairment of €2.9 million on one of the CGUs in the Solar Power sector.

The main assumptions used to assess the value in use of each of the Group's CGUs tested are as follows:

- discount rates used for each installation of between 6% and 9%;
- a growth rate to infinity of 1% for each CGU tested (apart from the Solar Power sector).

Lastly, with respect to the sensitivity of the asset values to the discount rate, it should be noted that an increase of 50 basis points would decrease the value of the assets tested by 8% and that a decrease of 50 basis points would increase the value of the assets tested by 9%.

Finance leases

A significant portion of the Group's industrial equipment is subject to finance leases. At the end of the lease period, the Group can exercise an option to purchase the equipment.

The net amount of depreciation on assets under finance leases stood at €281.8 million at 31 December 2013 compared with €399.8 million at 31 December 2012. This significant decline is due to the exercise of finance lease options in 2013: on 28 June for tranche 3 of the Le Gol power plant and 27 December for the Le Moule power plant.

Financial debt in respect of finance leases is presented in note 23.

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NOTE 16 - INVESTMENTS IN ASSOCIATES

The change in investments in associates is analysed as follows:

<i>In thousands of euros</i>	31/12/2013	31/12/2012
Movements during the accounting period		
Amount at the start of the period	24,051	22,958
Dividends paid	(2,011)	(2,464)
Share of net income of associates	2,723	2,636
Translation differences on the Mauritian investments	(625)	921
Amount at the end of the period	24,138	24,051

The change in the share of net income of associates includes the impact of the reduction in the fixed premium for the Terragen power plant (previously Compagnie Thermique de Bellevue) in 2012.

Agreements for the sale of the electricity produced by the Mauritian entities include price indexation clauses that are treated as currency derivatives. Under these clauses, sale prices for part of the electricity delivered are indexed to changes in the Mauritian rupee/euro exchange rate.

Pursuant to IAS 39, these embedded derivatives are recognised separately from their host contract (the agreement for the sale of electricity) on the contract start date and are measured at fair value, in the same way as stand-alone derivatives entered into with a bank.

Pursuant to IAS 39 "Financial instruments" and IFRIC 16 "Hedges of a net investment in a foreign operation", these derivatives are classified as a hedge of a net investment in a foreign operation. As such, changes in the fair value of these derivatives are recognised in equity, within translation reserves, with no impact on profit or loss.

For the year ended 31 December 2013, the impact, net of tax, of the restatement of derivatives embedded in sale agreements on the value of investments in associates and recognised in translation reserves amounts to €2.8 million compared with €3.1 million at 31 December 2012. In 2013, the change in fair value represented a decrease of €0.6 million net of tax in respect of the Group share, compared with an increase of €0.4 million in 2012.

The Group's share of the assets, liabilities and results of these entities is shown below:

<i>In thousands of euros</i>	31/12/2013	31/12/2012
Non-current assets	34,523	36,753
Current assets	15,695	15,799
Total assets	50,217	52,552
Non-current liabilities	21,899	23,620
Current liabilities	4,180	4,882
Total liabilities	26,080	28,501
Net assets	24,138	24,051
Revenue	25,238	27,612
Operating income	6,861	5,452
Net income for the year	2,723	2,636

NOTE 17 - NON-CURRENT FINANCIAL ASSETS

<i>In thousands of euros</i>	Note	31/12/2013	31/12/2012
Deposits and cash collateral		–	13,415
Term deposits		5,246	3,647
Non-consolidated investments		258	280
Loans due in more than one year		435	231
Financial instruments	24	277	201
Total		6,216	17,774

Deposits and cash collateral relate to finance leases used to finance the thermal power plants. These deposits and collateral bear interest, most of which is capitalised. These items are repayable on fixed dates or on the call option exercise date. The term deposit also generates interest that is capitalised.

All non-current financial assets are due in more than five years.

The reduction in deposits and cash collateral during financial year 2013 is a result of the exercising of the purchase option on the finance leases of the companies Albioma Le Gol and Albioma Le Moule, to which these deposits related.

NOTE 18 - CASH AND CASH EQUIVALENTS

<i>In thousands of euros</i>	31/12/2013	31/12/2012
Investment securities	66,870	61,194
Cash	38,192	18,193
Total	105,062	79,387

Cash equivalents comprise immediately available money market mutual funds and deposits, for which changes in fair value are recognised in profit or loss. These investment securities consist of overnight placements of cash, whose value presents a negligible risk of change over time.

NOTE 19 - TRADE RECEIVABLES

At 31 December 2013, trade receivables stood at €37.2 million compared with €43.4 million at 31 December 2012.

The Group sells virtually all the electricity it produces under agreements entered into with EDF in France and, for the equity-accounted companies, the Central Electricity Board (CEB) in Mauritius.

Given the high quality of the parties to the agreements for the sale of electricity, in the Group's opinion, the counterparty risk relating to trade receivables is immaterial. The statement of financial position did not include any material overdue trade receivables at 31 December 2013, nor at 31 December 2012.

NOTE 20 - STOCKS

Stocks are analysed as follows:

<i>In thousands of euros</i>	31/12/2013	31/12/2012
Stocks – gross amount		
Raw materials/fuels	15,368	19,309
Non-strategic spare parts	31,948	25,483
Other stocks in progress	786	1,003
Total stocks – gross amount	48,102	45,795
Impairment of stocks		
Non-strategic spare parts	(1,587)	(101)
Total impairment of stocks	(1,587)	(101)
Stocks – net amount		
Raw materials/fuels	15,368	19,309
Non-strategic spare parts	30,361	25,382
Other stocks in progress	786	1,003
Total stocks – net amount	46,515	45,694

The change in stocks and impairment over the period includes the effect of reclassifying panels and inverters not allocated to projects and which were previously recognised as non-current assets in progress.

NOTE 21 - OTHER CURRENT ASSETS

Other current operating assets are analysed as follows:

<i>In thousands of euros</i>	31/12/2013	31/12/2012
Tax and social security receivables	16,082	15,440
Current tax receivables	2,210	1,618
Prepayments	469	3,615
Other debtors	7,892	9,006
Total	26,653	29,679

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NOTE 22 - SHARE CAPITAL AND POTENTIAL SHARES

22.1. Share capital

At 31 December 2013, the share capital comprised 29,167,899 shares with a nominal value of €0.0385 per share, fully paid up, including 58,193 treasury shares in connection with a liquidity contract.

At 31 December 2012, the share capital comprised 28,632,445 shares with a nominal value of €0.0385 per share, fully paid up, including 55,000 treasury shares in connection with a liquidity contract.

22.2. Stock option plans and bonus share plans

Stock subscription option plan and bonus share plan	2012 bonus share plan	2010 stock option plan
Date of the Board of Directors meeting making the allotment	8 meetings from 26/07/2012 to 17/12/2013	27/08/2010
Exercise period		From 28/08/2014 to 28/08/2017 subject to performance and presence conditions
End of the vesting period	See details in note 22.2.2	–
Total number of options and shares originally authorised	810,000	190,000
Original exercise price	–	21
Total number of options after adjustment	–	n/a
Number of instruments in issue at 1 January 2011	–	190,000
Options and bonus shares expired	–	(66,500)
Number of instruments in issue at 1 January 2012	–	123,500
Options and bonus shares allotted	617,400	–
Options and bonus shares expired	–	(17,000)
Number of instruments in issue at 31 December 2012	617,400	106,500
Options and bonus shares allotted	92,000	–
Options and bonus shares expired	(19,000)	(4,900)
Number of instruments in issue at 31 December 2013	690,400	101,700
Number of options exercisable at the year end	–	–
Initial fair value per unit of options and bonus shares in issue (in euros)	0.33	5.00
Life of the conditional allotment (in years)	2.25	4
Fair value of the conditional allotment (in thousands of euros)	226	939
Amount recognised in expenses	–	–
2013	120	153
2012	39	153
2011	19	122
2010	–	88
Assumptions		
Volatility	29%	29%
Stock lending/borrowing rate	7.5%	7.5%
Dividends	The expected dividend yield was estimated using a forward-looking approach, based on the distribution policy announced by the Group.	

22.2.1. 2010 stock option plan

On 27 August 2010, using the authorisation granted to it by the Combined Ordinary and Extraordinary General Meeting of shareholders of 18 May 2010, Albioma's Board of Directors allotted 190,000 stock subscription options to employees and corporate officers of the Company and its subsidiaries present on 15 August 2010.

Exercise of the options by any beneficiary is subject to a performance condition relating to the growth in the installed capacity of the Group's photovoltaic fleet: the installed capacity of the photovoltaic fleet of the Company and its subsidiaries at 31 December 2011 must have increased by at least 30% per annum compared with the fleet's installed capacity at 31 December 2009. This condition was fulfilled at 31 December 2011.

In accordance with IFRS 2, the presence conditions and other performance conditions that are unrelated to the market have no impact on the measurement of the fair value of goods and services received but they do adjust the number of equity instruments actually allotted and therefore the final cost recognised.

22.2.2. 2012 bonus share allotment plan

Bonus share allotments made under a single plan were agreed during the Board of Directors meetings of 26 July 2012 (616,400 shares), 28 November 2012 (1,000 shares), 17 January 2013 (4,500 shares), 18 March 2013 (3,500 shares), 30 May 2013 (2,000 shares), 23 July 2013 (12,500 shares), 24 September 2013 (54,500 shares) and 17 December 2013 (15,000 shares).

The allotments are split into three equal tranches. Different performance conditions must be satisfied in order to trigger the effective vesting of each tranche.

During its meeting of 26 July 2012, on the recommendations of the Nomination and Remuneration Committee, the Board of Directors decided to allot bonus shares, at the beginning of 2014, under the plan decided upon by the Combined Ordinary and Extraordinary General Meeting of 14 March 2012, to all employees of the operating companies if the average availability of the installations in 2012 and 2013 were to exceed 91.5%. A reserve of 120,000 shares was then agreed for the requirements of these allotments. The Chairman and Chief Executive Officer, acting pursuant to the delegation of the Board of Directors, found that this condition had been fulfilled and, on 13 January 2014, allotted 117,033 bonus shares to all employees of the Group's operating companies, confirming the Group's determination to involve all its staff in the creation of value over the long term.

The effective vesting of the shares allotted on 26 July 2012 is subject to the following performance conditions:

- at any time during a six-month period commencing at the end of a two-year period with effect from the allotment date, a six-month moving average of the closing listed Albioma share price must be at least €18.50 for the first tranche, €22.50 for the second tranche and €26.50 for the third tranche; in such instances, the shares are vested on the date on which the six-month moving average of the closing listed Albioma share price over this period is reached for each tranche allotted;
- at any time during a period of two years and six months after the allotment date, a takeover bid is made for the Company's entire share capital and voting rights, if the price offered per share is at least €18.50 for the first tranche, €22.50 for the second tranche and €26.50 for the third tranche; in such instances, the shares are vested at the later of the following two dates: the date of the last settlement-delivery transaction in connection with the takeover bid, and the end of a two-year period following the allotment date.

The effective vesting of bonus shares allotted to the Chairman and Chief Executive Officer is not subject to the obligation to acquire a defined number of Company shares on the market.

Given the changes made to the rules of the bonus share plan by the Board of Directors during its meeting of 17 December 2013, accepted by each beneficiary concerned at the beginning of 2014, the effective vesting of shares allotted after 26 July 2012 is subject to meeting the following performance conditions:

- at any time during the period from 26 July 2014 to 26 January 2015, a six-month moving average of the closing listed Albioma share price must be at least €18.50 for the first tranche, €22.50 for the second tranche and €26.50 for the third tranche; in such instances, the shares are vested on the later of the following two dates: either the date on which, for each tranche allotted, the six-month moving average of the closing listed Albioma share price is reached during this period, or the expiry of a two-year period from the allotment date;
- at any time during the period from the allotment date to 26 January 2015, a takeover bid is made for the Company's entire share capital and voting rights, if the price offered per share is at least €18.50 for the first tranche, €22.50 for the second tranche and €26.50 for the third tranche; in such instances, the shares are vested at the later of the following two dates: the date of the last settlement-delivery transaction in connection with the takeover bid, and the end of a two-year period following the allotment date.

The retention period is set at two years from the effective vesting date of the shares; however, the Chairman and Chief Executive Officer is required to retain in registered form 25% of the shares effectively vested until he stands down from office.

22.2.3. Methaneo bonus share allotment plan

Following the acquisition of control of Methaneo by Albioma, a plan for the allotment of bonus shares to Methaneo's employees was put in place for a number of shares representing 2.5% of Methaneo's share capital. Vesting of these shares is subject to the beneficiaries being present for two years with effect from the allotment date. In addition, the plan provides for a two-year retention period without a presence condition. The total fair value of the plan is estimated at €185 thousand, spread over the rights vesting period, i.e. two years. The charge for the period is immaterial.

At the same time, the founding shareholders have undertaken to sell Methaneo shares to Albioma, enabling the latter to maintain a 60% stake in Methaneo's share capital.

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22.2.4. Methaneo founders' share warrants

The General Meeting of Methaneo held on 19 June 2012 authorised the Chairman of Methaneo to issue 150 warrants to subscribe to founders' shares (bons de souscription de parts de créateurs d'entreprise – BCE) in favour of Methaneo employees.

Each warrant will confer on its beneficiary the right to subscribe to one new ordinary share in Methaneo in exchange for payment of the subscription price of €714 per share, or, if the company stages a capital increase in the six months prior to the allotment of the warrants by issuing securities conferring equivalent rights to those arising from exercise of the warrants, the price shall be no less than the issuance price of the securities in question.

The warrants may be exercised during a six-month period with effect from them being allotted by the Chairman. The General Meeting also resolved to waive shareholders' pre-emptive rights to the 150 warrants to be issued. The warrant issuance price is based on the valuation of Methaneo's shares carried out in connection with the acquisition of control of this company by Albioma. As such, the option allotted is considered as being at its market value and has no impact on the financial statements presented. As the option will be settled by equity instruments, this benefit is determined on the allotment date and is not subsequently remeasured.

Calculation of the dilution

The diluted weighted average number of shares is calculated using the share buyback method. The funds received on exercise of the rights attached to the dilutive instruments are assumed to be allocated to the buyback of shares at market price on the last day of the financial year. The number of shares thus obtained is deducted from the total number of shares resulting from exercise of the rights.

Shares whose issuance is conditional are included in the calculation of diluted earnings per share only when, at the end of the period in question, the vesting conditions are met.

The dilutive effects are created by the issuance of stock subscription options as well as by the allotment of performance shares. As the vesting conditions were not met at either 31 December 2013 or 2012, these instruments have no impact on diluted earnings per share.

Net income, Group share, per share before and after dilution is thus as follows:

	31/12/2013	31/12/2012
Weighted average number of shares	29,109,706	28,577,445
Dilution	–	–
Diluted weighted average number of shares	29,109,706	28,577,445
Group total		
Net income, Group share	42,596	33,455
Net income/weighted average number of shares (in euros)	1.463	1.171
Net income/diluted weighted average number of shares (in euros)	1.463	1.171
Continuing operations		
Net income, Group share	36,973	32,055
Net income/weighted average number of shares (in euros)	1.270	1.122
Net income/diluted weighted average number of shares (in euros)	1.270	1.122
Discontinued operations		
Net income, Group share	5,623	1,400
Net income/weighted average number of shares (in euros)	0.193	0.049
Net income/diluted weighted average number of shares (in euros)	0.193	0.049

22.3. Number of shares

Movements in the number of shares making up the share capital are shown below:

At 1 January 2012	28,337,845
Shares issued due to the payment of dividends in shares	185,800
Treasury shares	53,800
At 31 December 2012	28,577,445
Shares issued due to the payment of dividends in shares	535,454
Treasury shares	(3,193)
At 31 December 2013	29,109,706

As at 31 December 2013, the Company held 58,193 of its own shares.

22.4. Dividends

On 30 May 2013, Albioma's Combined Ordinary and Extraordinary General Meeting decided to allow each shareholder to elect for payment of half of the dividend distributed, the total amount of which was set at €0.59 per share, either in cash or in new shares under the conditions described below.

Each shareholder was able to opt for:

- payment of 50% of the dividend (i.e. €0.295 per share) in new shares, with the remaining 50% (i.e. €0.295 per share) being paid in cash; or
- full payment of the dividend in cash (i.e. €0.59 per share).

The issuance price of the new shares provided as payment in this respect was set at €12.24. The subscription period closed on 25 June 2013.

At the end of this exercise period, 78% of the rights had been exercised in favour of payment in shares.

The option for payment of the dividend in shares thereby resulted in the creation of 534,454 new shares representing 1.8% of Albioma's share capital and voting rights based on the number of shares in issue at 30 June 2013 plus the number of new shares thus created.

Delivery of the new shares and admission to trading on the NYSE Euronext Paris regulated market took place on 5 July 2013. Payment of the dividend in cash was made on this same date, 5 July 2013.

NOTE 23 - FINANCIAL DEBT

23.1. Analysis by type (current and non-current)

The Group's financial debt can be analysed as follows:

	31/12/2013					31/12/2012				
	Project debt	Debt relating to call options on non-Group interests	Corporate Debt	Bank, overdrafts, accrued interest and borrowing costs	Total	Project debt	Debt relating to call options on non-Group interests	Corporate debt	Bank overdrafts and accrued interest	Total
Amounts due to credit institutions	291,721	3,055	52,918	432	348,126	213,075	3,055	89,000	1,551	306,681
Lease liabilities	175,494	–	–	–	175,494	276,073	–	–	–	276,073
Total	467,215	3,055	52,918	432	523,620	489,148	3,055	89,000	1,551	582,754
Non-current financial debt	–	–	–	–	474,883	–	–	–	–	503,862
Current financial debt	–	–	–	–	48,737	–	–	–	–	78,892

At 31 December 2013, the Group's average interest rate was 4.20% compared with 3.96% in 2012.

Financial debt includes variable rate debt totalling €422.3 million in 2013, compared with €460.8 million in 2012. Fixed rate or hedged debt represents 75% of total financial debt (see note 24 "Financial derivatives").

Project debt is debt without recourse to Albioma SA. It is borne by dedicated project entities.

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The change in financial debt during the period is analysed below:

	Lease liabilities	Bank borrowings	Debt relating to call options on non-Group interests	Bank overdrafts and accrued interest	Total
Opening	276,073	302,075	3,055	1,551	582,754
Borrowings issued	–	53,372	–	–	53,372
Repayments	(48,095)	(64,770)	–	(1,208)	(114,073)
Exercise of purchase option on finance leases	(53,962)	53,962	–	–	–
Reclassifications	1,478	–	–	–	1,478
Net change	–	–	–	89	89
Closing	175,494	344,639	3,055	432	523,620

Financing lines were put in place in connection with the refinancing of corporate debt in July 2008 for an amount of €100 million. The key features of this financing are as follows:

- Nature and amount of the facilities - Medium-term facilities comprising two tranches:
 - the A tranche for €80 million: loan amortisable in six annual repayments of €6.5 million – fully drawn down at 31 December 2012 and 2013 (outstanding principal: €47.5 million at 31 December 2013);
 - the B tranche for €20 million: loans to cover the working capital requirement; the borrower undertakes not to use tranche B for at least 15 days, consecutive or otherwise, each year; this tranche was drawn down at the end of 2012 but was fully repaid at the end of 2013.
- Financial features:
 - Interest rate: 6-month Euribor for the A tranche and Euribor corresponding to the drawdown period for the B tranche, plus an applicable margin equal to 0.80% per annum;
 - Covenants - Compliance with the usual minimum ratios:
 - the R1 ratio, defined as parent company net borrowings (all borrowings and similar debts contracted with financial institutions and other financial creditors) over consolidated EBITDA (Group operating income plus depreciation, amortisation and impairment) must be less than 2;
 - the R2 ratio, defined as parent company net borrowings over consolidated shareholders' equity (total share capital, additional paid-in capital, reserves, translation reserves, retained earnings and non-controlling interests) must be less than 1;
 - in addition, the amount of parent company net borrowings is capped at €300 million.

The Group complied with these ratios at 31 December 2013.

A credit line was put in place in July 2009 with Banque Espírito Santo et de la Vénétie (BESV) with the following characteristics:

- Nature and amount of the facilities:
 - Amount of the facilities: €15 million; at 31 December 2013 this line was not drawn down;
 - Term of 36 months with effect from the date of signing, tacitly renewable in the absence of termination for a further 24 months;
- Financial features:
 - Interest rate: Euribor plus an applicable margin of 2.5%;
 - Covenants: identical to those stipulated above for the €100 million financing line.

Two other funding facilities were put in place in November 2012 with Banque Palatine. Their main features are as follows:

- a €6.5 million medium-term loan over five years, amortisable by means of constant quarterly payments at 3-month Euribor plus a margin of 1.90%; in 2013 this line was drawn down (outstanding principal: €5.5 million at 31 December 2013);
- an €8.5 million medium-term loan over four years at 3-month Euribor plus a margin of 2.05%, which can be utilised upon giving three months' notice of intention to draw down; at 31 December 2013, this line was not drawn down.

Furthermore, financial leases entered into by Group companies may make provision for the usual financial commitments pertaining to such operations.

Debt relating to call options on non-Group interests correspond to the options granted by Albioma to the founding shareholders of Methaneo. These options can be exercised in 2016 in respect of 50% of the shares held by the latter, and in 2018 for the remaining shares. The option exercise price is set contractually by a calculation formula that takes into account the present value of the net cash flows of the projects financed, the amount of net debt and a multiple. Symmetrically, the founding shareholders have granted put options to Albioma.

23.2. Maturity analysis of total repayments of financial debt

The split by maturity of total repayments (not discounted) of financial debt (including repayment of principal and payment of interest) is as follows:

<i>In thousands of euros</i>	Due within 1 year	Due between 1 and 5 years	Due in more than 5 years	Total financial debt
Financial debt	50,397	213,995	165,833	430,225
Finance lease payables	20,151	91,867	135,714	247,732
Total at 31 December 2013	70,548	305,862	301,547	677,957

For debt at variable interest rates, total payments have been determined based on interest rates at 31 December 2013.

The amount of minimum payments in respect of finance leases corresponds to the total repayments of lease liabilities indicated above.

23.3. Net borrowings

<i>In thousands of euros</i>	31/12/2013	31/12/2012
Borrowings and financial debt		
Finance leases	175,494	276,073
Bank loan	344,639	302,075
Other debt	3,487	4,606
Total	523,620	582,754
Cash and cash equivalents		
Cash	(38,192)	(18,193)
Cash equivalents	(66,870)	(61,194)
Total	(105,062)	(79,387)
Finance lease deposits	(5,246)	(17,062)
Net financial debt after deducting deposits paid	413,312	486,305

The project companies of the Anaerobic Digestion business also benefit from shareholder advances recognised in "Other current liabilities" in the sum of €2.7 million at 31 December 2013.

NOTE 24 - FINANCIAL DERIVATIVES

Certain loans and leases entered into by the subsidiaries incorporate interest variation clauses. The agreements entered into with EDF generally allow for all or part of this variability to be passed on. When there is no such risk transfer, the Group has entered into interest rate swaps, lending at variable rates and borrowing at fixed rates. The situation pertaining to each lease for the subsidiaries in question, in terms of interest rate risk, as well as their impact on the statement of financial position pursuant to IAS 39, is shown in the table below. The swaps entered into by Albioma and its subsidiaries Albioma Le Gol, Albioma Galion and Albioma Bois-Rouge for the purposes of hedging the residual value of the lease have been recognised as cash flow hedges.

Analysis of agreements for the sale of electricity entered into with the CEB in Mauritius by Terragen (formerly Compagnie Thermique de Bellevue), OTEO La Baraque (formerly Compagnie Thermique de Savannah) and OTEO Saint-Aubin (formerly Compagnie Thermique du Sud) indicated the presence of embedded currency derivatives that have been recognised at fair value in the financial statements of these equity-accounted subsidiaries. They have been classified as hedges of a net investment. The amounts recognised in respect of these derivatives are presented in note 16 "Investments in associates".

The amount recognised in profit or loss in respect of the ineffective portion of hedging instruments is immaterial.

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	Maturity	Notional (in millions of euros)	Fair values in the statement of financial position				Recognition of changes in 2013	
			31/12/2012		31/12/2013		Profit or loss	Suspense account in equity
			Assets	Liabilities	Assets	Liabilities		
<i>In thousands of euros</i>								
Hedging of variable rate debt by means of interest rate swaps	2013 à 2029	261	201	(39,926)	277	(28,375)	(150)	11,625
Total cash flow hedging derivatives		261	201	(39,926)	277	(28,375)	(150)	11,625

A 100bp decline in interest rates would increase the amount of financial liabilities relating to hedging instruments by €18.5 million. A 100bp increase in interest rates would decrease the amount of financial liabilities relating to hedging instruments by €16.3 million. These effects would result in entries in equity for their amounts net of contingent tax.

The valuation of the credit risk of derivatives is calculated in accordance with IFRS 13 using historical probabilities of default derived from the calculations of a leading rating agency and a collection rate. At 31 December 2013, this valuation is immaterial (around €300 thousand).

NOTE 25 - EMPLOYEE BENEFITS

The amount of contributions paid in respect of defined contribution retirement plans amounted to €4,287 thousand for the year ended 31 December 2013 compared with €3,736 thousand in 2012.

Employee benefits are analysed as follows:

<i>In thousands of euros</i>	31/12/2013	31/12/2012
Post-employment benefits	12,771	12,446
Other long-term benefits	1,654	1,575
Total	14,425	14,021

25.1. Post-employment benefits

The provision for retirement obligations (defined benefit plan granted to employees) relates to the lump-sum retirement payment plan (*régime d'indemnités de départ en retraite – IDR*) applicable to French companies, the defined benefit plan put in place for employees of the parent company, and the Electricity and Gas Industry (IEG) plan applicable to the employees of certain subsidiaries (specific pensions and guarantee to preserve specific benefits following their retirement).

The net expense recognised in the income statement in respect of defined benefit post-employment benefit plans is analysed as follows:

<i>In thousands of euros</i>	2013	2012
Cost of services rendered during the year	1,636	1,396
Financial cost	432	428
Net expense for the year	2,068	1,824

The cost of services rendered net of benefits paid is presented in the line "Charges to provisions" in the income statement. The financial cost is presented in the line "Other financial expenses" in the income statement.

The change in the net amounts recognised in the statement of financial position is analysed below:

<i>In thousands of euros</i>	31/12/2013	31/12/2012
Opening obligation	12,446	9,013
Net expense for the year	2,068	1,824
Contributions paid	(539)	(473)
Actuarial gains and losses recognised in reserves	(1,031)	2,099
Other changes	(173)	(17)
Closing obligation	12,771	12,446

The amount of plan assets is immaterial. Actuarial gains and losses for 2012 stem from the impact of the change in the discount rate for an amount of €1.5 million and experience effects for an amount of €0.5 million. For the year ended 31 December 2013, actuarial gains and losses stem from experience effects for an amount of €0.2 million and the impact of changes in actuarial assumptions for a negative amount of €1.2 million.

25.2. Other long-term benefits

The amounts recognised in liabilities in respect of these plans are analysed as follows:

<i>In thousands of euros</i>	31/12/2013	31/12/2012
Present value of the liability	1,654	1,575
Net amount recognised in the statement of financial position	1,654	1,575

The net expense recognised in the income statement in respect of other long-term benefits is analysed as follows:

<i>In thousands of euros</i>	2013	2012
Cost of services rendered during the year	164	301
Financial cost	52	57
Net expense for the year	216	358

The cost of services rendered net of benefits paid is presented in the line "Charges to provisions" in the income statement. The financial cost is presented in the line "Other financial expenses" in the income statement.

The change in the net amounts recognised in the statement of financial position is analysed below:

<i>In thousands of euros</i>	31/12/2013	31/12/2012
Net amount recognised in the opening statement of financial position	1,575	1,307
Net expense for the year	216	358
Contributions paid	(114)	(111)
Other changes	(23)	21
Net amount recognised in the closing statement of financial position	1,654	1,575

25.3. Actuarial assumptions

The main actuarial assumptions used to calculate IDR and IEG obligations are as follows:

	31/12/2013	31/12/2012
Discount rate	3.5%	3.5%
Inflation rate	2.0%	2.0%
Life expectancy table	INSEE by age range	INSEE by age range

A 100bp increase in the discount rate would decrease the amount of employee benefit obligations by around €1.2 million, while long-term benefit obligations would fall by around €0.5 million.

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NOTE 26 - PROVISIONS FOR LIABILITIES

The change in provisions for liabilities and charges during the year comprises the following items:

<i>In thousands of euros</i>	Provisions for industrial and other risks	Provision for dismantling	Others provisions	Total non-current provisions
Provision at 31/12/2011	1,837	2,379	1,558	5,774
Charges	780	–	62	842
Reversals - unutilised	(500)	(57)	–	(557)
Activities held for sale	–	(2,145)	–	(2,145)
Reclassifications	–	(177)	(584)	(761)
Provision at 31/12/2012	2,117	–	1,036	3,153
Charges	1,008	–	3,552	4,560
Reversals - utilised	–	–	(150)	(150)
Reclassifications	–	–	(358)	(358)
Provision at 31/12/2013	3,125	–	4,080	7,205

In connection with the obligation for the thermal power plants to bury by-products from coal combustion, a provision had to be raised at 31 December 2013 in respect of the removal and processing of ash from the Le Gol power plant. Réunion does not currently have sufficient authorised storage capacity.

Other provisions essentially cover the risks of payment of compensation relating to disputes or legal action.

NOTE 27 - DEFERRED TAX

Deferred tax assets and liabilities recognised in the statement of financial position are analysed as follows:

<i>In thousands of euros</i>	Assets		Liabilities		Net	
	2013	2012	2013	2012	2013	2012
Difference between amounts for accounting and tax purposes						
Non-current assets	11,278	10,087	(37,838)	(35,296)	(26,560)	(25,209)
Provisions	4,625	4,263	–	(42)	4,625	4,221
Other items	3,224	2,611	(277)	(262)	2,947	2,349
Finance leases	49	280	(49,089)	(47,904)	(49,040)	(47,624)
Derivatives	9,490	13,707	–	–	9,490	13,707
Tax losses	5,816	2,856	–	–	5,816	2,856
Total	34,482	33,804	(87,204)	(83,504)	(52,723)	(49,700)
Impact of offsetting	(19,801)	(18,647)	19,800	18,647	(1)	–
Net deferred tax	14,681	15,157	(67,405)	(64,857)	(52,724)	(49,700)

The tax losses were generated by the application of Article 39 AB of the French Tax Code (*Code général des impôts*), resulting in the accelerated depreciation for tax purposes of certain installations. These tax losses will be utilised over the term of the agreements for the sale of electricity applicable to these installations. This recovery is supported by the business plans established by the Group.

The change in deferred tax is analysed below:

<i>In thousands of euros</i>	
Net deferred tax at 01/01/2012	(54,480)
Profit or loss	(1,865)
Effect of business combinations	570
Other movements	(437)
Equity	4,250
Activities held for sale	2,263
Net deferred tax at 31/12/2012	(49,700)
Profit or loss	924
Other movements	372
Equity	(4,320)
Net deferred tax at 31/12/2013	(52,724)

NOTE 28 - TRADE PAYABLES

Trade payables are analysed as follows:

<i>In thousands of euros</i>	31/12/2013	31/12/2012
Trade payables	35,393	37,519
Amounts due to suppliers of non-current assets	8,444	10,037
Total	43,837	47,556

NOTE 31 - FINANCIAL INSTRUMENTS

The fair values of financial instruments are as follows:

	Carrying amount		Fair value	
	2013	2012	2013	2012
Financial assets				
Non-current financial assets	6,216	17,774	6,216	17,774
Trade receivables	37,205	43,379	37,205	43,379
Other current assets	26,653	29,679	26,653	29,679
Cash and cash equivalents	105,062	79,387	105,062	79,387
Total financial assets	175,135	170,218	175,135	170,218
Financial liabilities				
Non-current financial debt	474,883	503,862	532,563	532,713
Current financial debt	48,737	78,892	48,737	78,892
Trade payables	43,837	47,556	43,837	47,556
Other current financial liabilities	47,478	38,206	47,478	38,206
Financial derivatives	28,375	39,926	28,375	39,926
Total financial liabilities	643,310	708,441	700,990	737,292

The fair value of an asset or liability is the price that would be agreed between willing parties in an arm's length transaction. On the transaction date, it generally corresponds to the transaction price. Subsequent determination of the fair value must be based on observable market data that provide the most reliable indication of the fair value of a financial instrument.

For the swaps, the fair value of derivatives is determined based on the discounted contractual cash flows.

The fair value of borrowings is determined by discounting the contractual cash flows at market interest rates.

The fair value of trade payables and trade receivables corresponds to the carrying amount indicated in the statement of financial position as the impact of discounting the future cash flows is immaterial.

NOTE 29 - CORPORATION TAX, DUTIES, AND TAX AND SOCIAL SECURITY LIABILITIES

These liabilities are analysed as follows:

<i>In thousands of euros</i>	31/12/2013	31/12/2012
Current tax liabilities	5,587	3,279
Other tax and social security liabilities	22,826	17,959
Total	28,413	21,238

NOTE 30 - OTHER CURRENT OPERATING LIABILITIES

Other current liabilities are analysed as follows:

<i>In thousands of euros</i>	31/12/2013	31/12/2012
Deferred income	8,329	7,519
Other creditors	10,737	9,448
Total	19,066	16,967

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At 31 December 2013

<i>In thousands of euros</i>	Level ²	Carrying amount	Fair value through profit or loss	Fair value through equity	Assets available for sale	Loans and receivables	Liabilities at amortised cost
Financial assets							
Non-current financial assets	Level 2	6,216	–	277	–	5,939	–
Trade receivables		37,205	–	–	–	37,205	–
Other current assets		26,653	–	–	–	26,653	–
Cash and cash equivalents	Level 1	105,062	105,062	–	–	–	–
Total financial assets		175,135	105,062	277	–	69,796	–
Financial liabilities							
Non-current financial debt ¹		474,883	–	3,055	–	–	471,828
Current financial debt		48,737	–	–	–	–	48,737
Trade payables		43,837	–	–	–	–	43,837
Other current financial liabilities		47,478	–	–	–	–	47,478
Financial derivatives	Level 2	28,375	–	28,375	–	–	–
Total financial liabilities		643,310	–	31,430	–	–	611,880

As indicated in paragraph 2.22 of this document, the Group has not recognised the possible earn-outs related to the sale of its Wind Power business. Indeed, the conditions for obtaining these earn-outs were not fulfilled at the year end.

At 31 December 2012

<i>In thousands of euros</i>	Level ²	Carrying amount	Fair value through profit or loss	Fair value through equity	Assets available for sale	Loans and receivables	Liabilities at amortised cost
Financial assets							
Non-current financial assets	Level 2	17,774	–	201	–	17,573	–
Trade receivables		43,379	–	–	–	43,379	–
Other current assets		29,679	–	–	–	29,679	–
Cash and cash equivalents	Level 1	79,387	79,387	–	–	–	–
Total financial assets		170,218	79,387	201	–	90,631	–
Financial liabilities							
Non-current financial debt ¹		503,862	–	–	–	–	503,862
Current financial debt		78,892	–	–	–	–	78,892
Trade payables		47,556	–	–	–	–	47,556
Other current financial liabilities		38,206	–	–	–	–	38,206
Financial derivatives	Level 2	39,926	–	39,926	–	–	–
Total financial liabilities		708,441	–	39,926	–	–	668,515

In accordance with the provisions of the amendment to IFRS 7, the tables presented above indicate the Group's assets and liabilities that are measured at fair value according to their measurement method.

1. Non-current financial debt relating to call options on non-Group interests is valued on the basis of discounted cash flows.

2. The classification levels are defined as follows:

- level 1: prices quoted on an active market;
- level 2: prices quoted on an active market for a similar instrument, or another valuation technique based on observable parameters;
- level 3: valuation technique incorporating non-observable parameters.

NOTE 32 - RISK AND CAPITAL MANAGEMENT

32.1. Risk management

Interest rate risk

For tranche 3 of the Albioma Bois-Rouge power plant, for which the financing by means of finance leases is not at fixed interest rates, the impact of the change in interest rates on the financing is passed on to customers in accordance with the contractual terms. For all other power plants except tranches 1 and 2 of Albioma Le Gol, which are subject to fixed-rate financing, the impact of the change in interest rates cannot be passed on to customers. As such, those companies with financing agreements have put in place appropriate hedges in the form of swaps, i.e. swapping variable interest rates for fixed interest rates.

Net financial debt after deducting finance lease deposits came to €413.3 million at 31 December 2013 compared with €486.3 million at 31 December 2012. Interest rate hedging instruments are presented in note 24.

Financial debt includes variable rate debt totalling €422.3 million in 2013, compared with €460.8 million in 2012. Fixed rate or hedged debt represents 75% of total debt.

Sensitivity of financial assets and liabilities to changes in interest rates

After taking into account interest rate hedges, a 100bp increase in interest rates would result in an additional expense of €1.3 million. This amount corresponds to 6% of the total amount of financial expenses for the year under review (i.e. €23.5 million). This percentage indicates the impact on the Group's financial expenses of a change in interest rates:

- on financial assets and liabilities at variable rates;
- on financial assets and liabilities at fixed rates maturing in less than one year.

At 31 December 2013, currency risks were as follows:

<i>In thousands of euros</i>	Value in euros of assets in Mauritian rupees	
	31/12/2013	31/12/2012
Assets	23,560	24,104
Liabilities	–	(539)
Net position before management	23,560	23,565
Off-balance sheet position	–	–
Net position after management	23,560	23,565

These net positions are subject to a hedge of a net investment in a foreign operation as described in note 16.

Counterparty risk

Given the high quality of the contract signatories, especially in the subsidiaries, the counterparty risk relating to trade receivables is immaterial. Furthermore, there are no overdue trade receivables in the statement of financial position at 31 December 2013. The Group has no specific dependencies with regard to its suppliers.

Regarding its investments and borrowings, the Group deals only with top-tier financial institutions.

The increase in charges is partly passed on to customers as provided for in the contracts for the sale of electricity for the Thermal Biomass sector.

Currency risk

The Group's transactions are carried out mainly in euros, except for:

- coal purchases by the subsidiaries, which are denominated in US dollars, with sale prices to clients specifically taking into account exchange rate movements;
- the activity of companies in which Albioma holds non-controlling interests in Mauritius. These companies' financial statements are prepared in Mauritian rupees. The currency risk arises mainly from:
 - the impact of exchange rate movements on the overall amount that is equity accounted (recognised directly in equity);
 - the remeasurement of financial debt, this being, in certain cases, denominated in euros;
 - the partial indexation to the euro of contracts for the sale of electricity.
- also, the Group has recognised embedded currency derivatives (euro/Mauritian rupee) relating to contracts for the sale of electricity.

The Group does not use any other financial instruments for currency hedging purposes.

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Liquidity risk

The Group monitors its liquidity on a regular basis and has sufficient resources to enable it to meet any significant financial obligations.

The liquidity position can be broken down as follows:

<i>In thousands of euros</i>	31/12/2013	31/12/2012
Cash equivalents	66,870	61,194
Cash	38,192	18,193
Unutilised credit lines	43,500	15,000
Liquidity position	148,562	94,387

Legal, industrial and environmental risks

The general legal risk incurred as a result of the Group's activities, its industrial and environmental risks as well as the risks relating to the location of its assets are presented in section 1.8 of the 2013 registration document, covering risk factors. Furthermore, the Group has benefited from certain favourable tax measures in the French overseas *départements* that are subject to meeting various conditions relating to investment, employment, training and reporting and administrative formalities. As part of its day-to-day activities, the Group regularly reviews these risks, including social and tax risks.

Risks stemming from regulatory changes

The energy production industry is highly regulated and largely driven by contractual arrangements. Regulatory changes (including tax regulations) rendering certain investments less attractive could adversely impact the Group's development.

32.2. Capital management

The Group's main objective is to ensure the maintenance of a good credit risk rating and healthy capital ratios in order to facilitate its activity and maximise shareholder value.

The Group manages its capital by using a ratio, equal to net debt excluding non-recourse project financing and pre-financing of new units divided by the amount of consolidated equity.

The Group's policy is to maintain this ratio below 1 and to maximise the return on the Company's shares, to maintain appropriate ratios for the statement of financial position and to ensure the capacity to finance its ambitious development programmes by adapting according to the availability of borrowings in any given period.

Equity includes the Group's share of capital, as well as the unrealised gains and losses recorded directly in equity.

Under the Group's dividend policy, it aims to distribute 50% of the Group share of net income (excluding any gains on disposals, retroactivity and financing needs for new projects), with an option for the payment of 50% of the dividend in new shares.

On 7 August 2013, Albioma announced that it had entrusted the implementation of a liquidity agreement to Exane BNP Paribas instead of Kepler Cheuvreux. This liquidity agreement, in compliance with the AMAFI code of conduct approved by the French financial markets authority (*Autorité des marchés financiers* – AMF), is established in connection with the share buyback programme authorised by the General Meeting of Shareholders of 30 May 2013, the description of which was published on the Company's website on 4 June 2013. Its aim is to ensure the liquidity of Albioma's shares on the NYSE Euronext Paris regulated market.

NOTE 33 - OFF-BALANCE SHEET COMMITMENTS AT 31 DECEMBER 2013

33.1 Off-balance sheet commitments given

<i>In thousands of euros</i>	31/12/2013	31/12/2012
Guarantees given to suppliers	3,000	3,000
Fixed leases	18,937	19,221
Finance lease commitments given	–	7,050
Guarantees concerning the ICPE safety decree	630	–
Sundry guarantees	595	–
Commitments given relating to operating activities	23,162	29,271
Assets pledged as collateral	2,200	2,200
Sundry guarantees	343	292
Commitments given relating to financing activities	2,543	2,492
Liabilities guarantees	11,903	3,200
Commitments given relating to changes in the consolidation scope	11,903	3,200
Total off-balance sheet commitments given	37,608	34,963

Off-balance sheet commitments given relating to operating activities**Guarantees given to suppliers**

These guarantees generally constitute counter-guarantees for payment granted by the Group to equipment suppliers as a guarantee for payment in connection with supply agreements entered into by the subsidiaries.

Leases

Leases relate to the photovoltaic installations in operation. These leases include fixed lease payments as indicated in the table above and conditional lease payments indexed to revenue or production volumes. Concerning the conditional lease payments, the best estimate of future lease payments is €29 million at 31 December 2013 compared with €27.4 million at 31 December 2012.

Finance lease commitments given

See details below regarding off-balance sheet commitments received.

Guarantees concerning the decree for the safety of installations classified for the protection of the environment (ICPE)

For the Thermal Biomass sector, the Group has filed with the examining administrative bodies a case justifying the financial guarantees to be provided for the safety of thermal installations classified for the protection of the environment (ICPE). At 31 December 2013, these guarantees amounted to €0.6 million.

Pledges of subsidiaries' shares Sundry guarantees

These mainly concern commitments given to rebuild a photovoltaic plant that has been damaged.

Commitments given relating to financing activities**Assets pledged as collateral**

Debts contracted by the Group in connection with project financing are guaranteed by collateral (industrial assets, mortgages, pledges of shares and receivables) to ensure their repayment.

As such, all future receivables from EDF, Endesa (Spain) and GSE (Italy) are given as collateral in an amount of €467 million (compared with €489 million at 31 December 2012 excluding the Wind Power business), this amount corresponding to the principal outstanding at 31 December 2013 in respect of debts relating to projects in operation or under construction benefiting from bank funding. The last of these liabilities is payable in 2029.

Nantissement des titres des filiales

Company	Start date of pledge	Maturity date of pledge	Amount of pledged assets (in thousands of euros)	Value of securities in the parent company's financial statements (in thousands of euros)	Corresponding %	Number of shares pledged	% of capital pledged
OTEO La Baraque	09/11/2005	31/12/2022	4,868	4,868	100%	1,902,500	100%
OTEO Saint-Aubin	15/04/2004	31/12/2020	1,886	1,886	100%	637,500	100%
Albioma Bois-Rouge	14/02/2008	17/02/2015	63,366	63,366	100%	1,234,982	100%
Albioma Le Gol	14/02/2008	17/02/2015	8,416	28,055	30%	199,800	30%
Albioma Solaire Guyane	18/12/2009	26/12/2026	40	40	100%	4,000	100%
Albioma Solaire Lasalle	22/04/2010	31/12/2025	32	32	100%	3,200	100%
Albioma Solaire Matoury	17/12/2010	30/11/2029	1,813	1,813	100%	1,600,240	100%
Albioma Solaire Pierrelatte	29/10/2009	30/06/2028	1,956	3,836	51%	195,636	51%

Commitments given relating to changes in the consolidation scope

In connection with an earlier sale of a business, the Group granted a liabilities guarantee for a maximum amount of €2.4 million.

The change compared with 2012 is mainly attributable to the commitments given in connection with Albioma's sale of the Wind Power business to EDF Énergies Nouvelles on 11 February 2013.

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33.2. Off-balance sheet commitments received

<i>In thousands of euros</i>	31/12/2013	31/12/2012
Commitments received for electricity purchases	Not measured	Not measured
Commitments received from customers	–	7,050
Commitments received relating to operating activities	–	7,050
Lines of credit granted but not utilised	43,500	15,000
Lines of credit granted for projects	8,005	8,142
Commitments received relating to financing activities	51,505	23,142
Earn-outs on sales in 2013	Not measured	–
Commitments received relating to changes in the consolidation scope	Not measured	–
Total off-balance sheet commitments received	51,505	30,193

Commitments received relating to operating activities

Commitments received for electricity purchases

Each time an electricity production unit is built, the company carrying the project and appointed to operate it enters into a long-term electricity supply agreement with the network operator: EDF in France, Central Electricity Board (CEB) in Mauritius, GIAT in Italy and Endesa in Spain. The Group benefits from purchase commitments for extended periods ranging from 15 to 40 years at the start of the agreement.

Commitments received from customers

The exercising of a finance lease option in 2013 resulted in the realisation of commitments given and received of the same amount.

Commitments received relating to financing activities

At 31 December 2013, the Group benefited from commitments received for the financing of projects and operations for an amount of €51.5 million, undrawn at this date (including €43.5 million for Albioma).

Commitments received relating to changes in the consolidation scope

Following the sale of its Wind Power business to EDF Énergies Nouvelles on 11 February 2013, the Group received a conditional earn-out commitment, valid for five years, related to projects under development. This earn-out is conditional on the success of these projects.

NOTE 34 -RELATED PARTIES

The consolidated financial statements comprise the financial statements of Albioma SA and the subsidiaries mentioned in note 37.

Albioma is the parent company of the Group. Albioma's financial statements are fully consolidated in the consolidated financial statements of Financière Hélios. There are no transactions between Financière Hélios and the companies of the Albioma Group.

Transactions entered into with related parties correspond to transactions with equity-accounted companies. The table below shows the amount of these transactions for the years ended 31 December 2013 and 31 December 2012:

Sales to/purchases from related parties (in thousands of euros)	Sales to related parties	Purchases from related parties	Receivables due from related parties	Liabilities due to related parties
2013	1,521	6,552	1,313	1,283
2012	1,527	6,451	461	1,495

Terms and conditions of transactions with related parties:

- sales to and purchases from related parties are made at market prices. Outstanding balances at year end are not guaranteed, do not bear interest and settlements are made in cash. No guarantees have been given or received in respect of the receivables due from and liabilities due to related parties;
- for the years ended 31 December 2013 and 2012, the Group has not raised any provisions for non-performing receivables relating to amounts due from related parties.

Remuneration of key Group executives

The remuneration in respect of 2013 and 2012 for the Group's key executives comprising the Executive Committee is shown below:

<i>In thousands of euros</i>	2013	2012
Remuneration	2,934	2,300
Attendance fees	133	121
Share-based payments	46	40
Total	3,113	2,433

In the event that the Board of Directors resolved to revoke or not renew his functions as Chairman and Chief Executive Officer, Mr Jacques Pétry would benefit from a lump-sum termination payment. This payment would correspond to the amount of his net fixed remuneration for the last six months prior to termination of his term of office and the variable remuneration received (or due) in respect of the last six months prior to termination of his term of office, these amounts being net of any employers' social security contributions and GSC unemployment insurance cover for company managers and executives. In connection with the 2012 bonus share plan, Mr Jacques Pétry received 225,000 bonus shares subject to performance conditions. The other members of the Executive Committee benefited from the conditional allotment of 215,000 bonus shares.

Executives do not benefit from a specific plan for post-employment benefits.

NOTE 35 - GREENHOUSE GAS EMISSION QUOTAS

The Albioma Group's bio-energy power plants located in the French overseas *départements* are included in operations subject to regulations regarding the allocation of carbon dioxide (CO₂) emission quotas.

<i>In thousands of tonnes</i>	2013	2012
Opening quotas	106	(130)
Quotas allocated free of charge	–	1,975
CO ₂ emitted	(2,363)	(2,380)
Other changes	–	8
CO ₂ quotas acquired	2,281	632
Closing quotas	24	106

NOTE 36 - EVENTS AFTER THE REPORTING PERIOD

On 5 March 2014, Albioma announced the acquisition, in Brazil, for BRL137 million (€43 million), of Rio Pardo Termoelétrica, a cogeneration plant located in the State of São Paulo. The plant, located in an area that is very conducive to the cultivation of sugarcane, operates all year round using the bagasse harvested over nine months.

This plant, brought into service in 2009, is fitted with high-quality equipment and has an installed capacity of 60MW, similar to that of the Group's other plants. It is adjacent to a sugar refinery that currently processes 2.1 million tonnes of sugarcane per annum. Albioma's unique expertise will significantly enhance the energy efficiency of the existing facilities, which will ultimately transfer 160GWh of electricity to the grid per annum.

Thanks to this acquisition, Albioma has completed the first deal for the production of energy (including operation) from a sugar refinery in Brazil and thus confirms its status as a preferred partner of players in the sugar industry.

The acquisition of 100% of the shares in the cogeneration plant was finalised on 31 March 2014. This operation, financed for 50% by local debt and 50% by equity, is expected to make a positive contribution both in terms of EBITDA and net income, Group share, as from the 2014 financial year.

The sugar refinery ultimately plans to increase its crushing processing capacity to 3 million tonnes of sugarcane per annum. Albioma will thus have the opportunity to build a 15MW extension to the cogeneration plant, enabling it to recover energy from the additional quantity of bagasse.

Albioma is currently holding talks with several Brazilian sugar refineries to take over existing plants or build new cogeneration plants, with the aim of completing a new project every 12 to 18 months.

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NOTE 37 - CONSOLIDATION SCOPE

Fully- and proportionally-consolidated companies	Percentage interest at 31/12/2013	Percentage control at 31/12/2013	Percentage interest at 31/12/2012	Percentage control at 31/12/2012
Albioma (formerly Séchillienne-Sidec)	Parent company	Parent company	Parent company	Parent company
Réunion				
Plexus Sol	100%	100%	100%	100%
Albioma Solaire Réunion (formerly SCE Société de Conversion d'Énergie)	100%	100%	100%	100%
Albioma Solaire Bethléem (formerly SCE Société de Conversion d'Énergie B)	100%	100%	100%	100%
Albioma Bois-Rouge (formerly Compagnie Thermique de Bois-Rouge)	100%	100%	100%	100%
Exploitation Maintenance Services (subsidiary of Albioma Bois-Rouge)	100%	100%	100%	100%
Albioma Le Gol (formerly Compagnie Thermique du Gol)	65%	65%	65%	65%
Sud Thermique Production (subsidiary of Albioma Le Gol)	65%	65%	65%	65%
Albioma Power Alliance (formerly Power Alliance SCE)	50%	50%	50%	50%
Albioma Saint-Pierre (formerly Saint-André Énergie)	100%	100%	100%	100%
Guadeloupe				
Albioma Le Moule (formerly Compagnie Thermique du Moule)	100%	100%	100%	100%
Caraïbes Thermique Production (subsidiary of Albioma Le Moule)	100%	100%	100%	100%
Albioma Caraïbes (formerly Caraïbes Énergie)	100%	100%	100%	100%
Albioma Guadeloupe Logistique (formerly Recyclage Cendres Mâchefers Industries)	100%	100%	100%	100%
Albioma Marie-Galante (formerly Marie-Galante Énergie)	65%	65%	65%	65%
Quantum Caraïbes	50%	50%	50%	50%
Énergipole Quantum	50%	50%	50%	50%
Caraïbes Énergie Production (subsidiary of Albioma Caraïbes)	100%	100%	100%	100%
Albioma Solaire Kourou (formerly Quantum Énergie Production)	100%	100%	100%	100%
French Guiana				
Albioma Solaire Guyane (formerly Quantum Énergie Guyane)	100%	100%	100%	100%
Albioma Solaire Matoury (Quantum Énergie Matoury)	100%	100%	100%	100%
Martinique				
Albioma Galion (formerly Compagnie de Cogénération du Galion)	80%	80%	80%	80%
Albioma Solaire Antilles (formerly Quantum Énergie Antilles)	80%	80%	80%	80%
Albioma Solaire Habitat (formerly Quantum Énergie Habitat)	80%	80%	80%	80%
Albioma Solaire Lasalle (formerly Quantum Énergie Lasalle)	80%	80%	80%	80%
À Mayotte				
Albioma Solaire Mayotte (formerly SCEM SNC)	100%	100%	100%	100%

4 • CONSOLIDATED FINANCIAL STATEMENTS

4.6. Notes to the consolidated financial statements

Fully- and proportionally-consolidated companies	Percentage interest at 31/12/2013	Percentage control at 31/12/2013	Percentage interest at 31/12/2012	Percentage control at 31/12/2012
Spain				
Sun Developers 3 (SD 3)	100%	100%	100%	100%
Sun Developers 15 (SD 15)	100%	100%	100%	100%
Sun Developers 16 (SD 16)	100%	100%	100%	100%
Sun Developers 17 (SD 17)	100%	100%	100%	100%
Sun Developers 18 (SD 18)	100%	100%	100%	100%
Sun Orgiva 1 (SO 1, subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 2 (SO 2, subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 3 (SO 3, subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 4 (SO 4, subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 5 (SO 5, subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 6 (SO 6, subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 7 (SO 7, subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 8 (SO 8, subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 9 (SO 9, subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 10 (SO 10, subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 11 (SO 11, subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 12 (SO 12, subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 13 (SO 13, subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 14 (SO 14, subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 15 (SO 15, subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 16 (SO 16, subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 17 (SO 17, subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 18 (SO 18, subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 19 (SO 19, subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 20 (SO 20, subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 21 (SO 21, subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 22 (SO 22, subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 23 (SO 23, subsidiary of Sun Developers 16)	100%	100%	100%	100%
Italy				
Quantum Energia Italia	100%	100%	100%	100%
Quantum 2008A (subsidiary of Quantum Energia Italia)	100%	100%	100%	100%
Quantum Energia Pettovallone (subsidiary of Quantum Energia Italia)	100%	100%	100%	100%
Quantum Energia Cingoli Treia (subsidiary of Quantum Energia Italia)	100%	100%	100%	100%
Brazil				
Albioma Participações do Brasil	100%	100%	–	–

4 • CONSOLIDATED FINANCIAL STATEMENTS

4.6. Notes to the consolidated financial statements

Fully- and proportionally-consolidated companies	Percentage interest at 31/12/2013	Percentage control at 31/12/2013	Percentage interest at 31/12/2012	Percentage control at 31/12/2012
Mainland France				
Methaneo	60%	100%	60%	100%
Agrimaine Méthanisation	14%	40%	14%	40%
Biogaz de Vignes	60%	100%	60%	100%
Capter Méthanisation	30%	50%	31%	51%
Methaneo ENR	36%	60%	36%	60%
Carentan Méthanisation	20%	55%	20%	55%
Perla	54%	90%	54%	90%
Sainter Méthanisation	26%	44%	31%	51%
Teras Méthanisation	30%	50%	60%	100%
Tiper Méthanisation	30%	51%	30%	51%
Unité de Méthanisation Agricole de Pauvres (UMAP)	28%	47%	28%	47%
Méthaval	30%	50%	30%	50%
Mater Biogaz	60%	100%	60%	100%
Energic Méthanisation	15%	50%	60%	100%
Bordères Méthanisation	36%	60%	36%	60%
Retz Énergie Méthanisation	60%	100%	–	–
Lisieux Méthanisation	60%	100%	–	–
Pays de Falaise Méthanisation	29%	49%	–	–
Pays de Honfleur Méthanisation	60%	100%	60%	100%
Biogazillac Méthanisation	60%	100%	60%	100%
Éoliennes des Quatre-vents	100%	100%	100%	100%
Albioma Solaire Pierrelatte (ASP, formerly Quantum Energie Pierrelatte)	100%	100%	100%	100%
Quantum Énergie Marsillargues	100%	100%	100%	100%
Albioma Solaire Fabrègues (ASF, formerly Quantum Energie Fabrègues)	100%	100%	100%	100%
Albioma Biomasse Mimizan (ABM, formerly Quantum Energie Le Gua)	100%	100%	100%	100%
Quantum Énergie SMDC	100%	100%	100%	100%
Quantum Énergie PV1	100%	100%	100%	100%

Equity-accounted companies	Percentage interest at 31/12/2013	Percentage control at 31/12/2013	Percentage interest at 31/12/2012	Percentage control 31/12/2012
Mauritius				
Terragen (formerly Compagnie Thermique de Bellevue)	27%	27%	27%	27%
Omnican Thermal Energy Operations (Saint-Aubin) (OTEO Saint-Aubin, formerly Compagnie Thermique du Sud)	25%	25%	25%	25%
Omnican Thermal Energy Operations (La Baraque) (OTEO La Baraque, formerly Compagnie Thermique de Savannah)	25%	25%	25%	25%
Terragen Management (formerly Compagnie Thermique de Bellevue Management)	28%	28%	28%	28%
Guadeloupe				
Élect'Sécurité	30%	30%	30%	30%
Réunion				
Compagnie Industrielle des Cendres et Mâchefers (CICM)	34%	34%	34%	34%

4.7 Statutory Auditors' report on the consolidated financial statements

PricewaterhouseCoopers Audit

63. rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars

Tour Exaltis - 61. rue Henri Regnault
92400 Courbevoie

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

YEAR ENDED 31 DECEMBER 2013

To the Shareholders,

In performance of the assignment entrusted to us by your General Meeting, we hereby present our report for the year ended 31 December 2013, on:

- the audit of Albioma's consolidated financial statements, as appended to this report;
- the basis of our assessment;
- the specific verification required by law.

The consolidated 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 consolidated financial statements

We conducted our audit in accordance with the professional standards applicable in France. These standards require that we plan and perform the audit so as to obtain reasonable assurance that the consolidated financial statements are free from material misstatement. An audit includes examining, using sampling or other selection methods, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, the consolidated financial statements for the year give a true and fair view of the assets and liabilities, financial position and results of the Group comprising the legal entities included in the consolidation, in accordance with the IFRS framework as adopted in the European Union.

II - Basis of our opinion

In accordance with the provisions of Article L. 823-9 of the French Commercial Code on the basis of our assessment, we bring to your attention the following items:

- note 2.10 to the consolidated financial statements sets out the accounting methods used for leases. In connection with our assessment of the accounting principles used by your Group, we have verified the appropriateness of the methods used and the procedures for the classification and treatment of leases.

These assessments were made as part of our audit approach for the consolidated financial statements taken as a whole, and therefore contributed to the formulation of our opinion expressed in the first section of this report.

III - Specific verification

We have also performed, in accordance with professional standards applicable in France, the specific verification provided for by law of the information provided in the Group management report.

We have no comments to make as to the fair presentation of this information and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Courbevoie, France, 28 April 2014

The Statutory Auditors,

PricewaterhouseCoopers Audit

Jean-Christophe Georghiou
Partner

Mazars

Manuela Baudoin-Revert
Partner

The turbined steam is then cooled and condensed: a process that generally requires a lot of water. In some of the Group's thermal installations, air condensers use ambient air to complete this process, substantially reducing the amount of water consumed for cooling purposes.

Air condensers at Albioma Caraïbes, Guadeloupe.

5 • COMPANY FINANCIAL STATEMENTS FOR THE 2013 FINANCIAL YEAR

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5 • COMPANY FINANCIAL STATEMENTS

5.1. Income statement

5.1. Income statement

<i>In thousands of euros</i>	France	Export	2013	2012
Sale of goods purchased for resale	651	–	651	427
Production sold – goods	–	–	–	1,068
Production sold – services	18,781	–	18,781	13,104
Net revenue	19,432	–	19,432	14,600
Production transferred to stocks	–	–	545	–
Other income	–	–	434	531
Operating income	–	–	20,411	15,131
External charges				
Purchases of goods for resale (including excise duties)	–	–	537	454
Purchases of raw materials and other consumables	–	–	707	1,881
Other purchases and external charges	–	–	8,761	6,353
Total external charges	–	–	10,005	8,689
Taxes, duties and similar payments	–	–	525	610
Staff costs				
Wages and salaries	–	–	8,666	6,760
Social security charges	–	–	4,154	3,457
Total staff costs	–	–	12,820	10,218
Operating provisions				
Depreciation and amortisation of non-current assets	–	–	208	132
Impairment of non-current assets	–	–	–	250
Provisions on current assets	–	–	312	300
Provisions for liabilities and charges	–	–	323	159
Total operating provisions	–	–	843	840
Operating charges	–	–	24,193	20,357
Operating income	–	–	(3,782)	(5,226)

.../...



In thousands of euros

	2013	2012
Operating income	(3,782)	(5,226)
Financial income		
Income from participating interests	23,723	23,166
Other interest receivable and similar income	689	720
Provisions written back and charges transferred	120	142
Net income on disposals of marketable securities	555	250
Total financial income	25,086	24,278
Financial expenses		
Impairment of financial assets	3,498	30
Interest payable and similar expenses	972	2,800
Net expenses on disposals of marketable securities	132	151
Total financial expenses	4,602	2,981
Net financial income	20,484	21,297
Pre-tax profit on ordinary activities	16,702	16,072
Non-recurring income		
On revenue transactions	81	–
On capital transactions	2,125	1
Provisions written back and charges transferred	–	481
Total non-recurring income	2,205	483
Non-recurring expenses		
On revenue transactions	836	–
On capital transactions	557	1
Depreciation, amortisation and impairment	981	–
Total non-recurring expenses	2,375	1
Net non-recurring income/(expense)	(169.11)	481.39
Employee profit-sharing	261	246
Corporation tax	(1,643)	(1,803)
Total income	47,702	39,892
Total expenses	29,788	21,782
Net income	17,914	18,110

5 • COMPANY FINANCIAL STATEMENTS

5.2. Statement of financial position

5.2. Statement of financial position

ASSETS

<i>In thousands of euros</i>	Gross	Depreciation and amortisation	Net	
			31/12/2013	31/12/2012
Intangible assets				
Concessions, patents and similar rights	147	64	83	21
Other intangible assets	73	19	54	–
Total intangible assets	220	83	137	21
Property, plant and equipment				
Land	1,032	–	1,032	70
Buildings	680	413	267	294
Technical installations, equipment and industrial tooling	3	–	3	–
Other property, plant and equipment	667	409	258	264
Property, plant and equipment in progress	948	–	948	14
Total property, plant and equipment	3,330	822	2,508	642
Long-term investments				
Other participating interests	204,071	976	203,095	202,940
Loans	163	–	163	140
Other long-term investments	1,546	320	1,226	7,044
Total long-term investments	205,779	1,296	204,484	210,125
Non-current assets	209,330	2,201	207,129	210,788
Stocks and work-in-progress				
Work-in-progress – goods	687	–	687	142
Goods purchased for resale	1,565	1,372	193	193
Total stocks and work-in-progress	2,252	1,372	880	335
Receivables				
Advances and payments on account of orders	63	–	63	409
Trade receivables	13,426	312	13,114	6,827
Other receivables	27,350	3,385	23,965	45,832
Total receivables	40,838	3,697	37,142	53,068
Cash, cash equivalents and other				
Marketable securities	61,535	–	61,535	48,886
Cash and cash equivalents	26,825	–	26,825	1,455
Prepayments	202	–	202	137
Total cash, cash equivalents and other	88,562	–	88,562	50,478
Current assets	131,652	5,069	126,583	103,881
TOTAL ASSETS	340,982	7,270	333,712	314,669

EQUITY AND LIABILITIES

<i>In thousands of euros</i>	Net	
	31/12/2013	31/12/2012
Equity		
Share capital <i>of which, paid: 1,123</i>	1,123	1,102
Additional paid-in capital	23,191	16,657
Revaluation differences <i>of which, equity accounting reserve: –</i>	3	3
Legal reserve	110	110
Statutory and contractual reserves	930	930
Regulated reserves	1	1
Other reserves	15,905	15,905
Retained earnings	87,412	86,163
Net income for the year	17,914	18,110
Total equity	146,589	138,981
Regulated provisions	134	134
Shareholders' equity	146,723	139,115
Provisions for liabilities	2,318	1,337
Provisions for charges	1,175	852
Provisions for liabilities and charges	3,494	2,189
Financial liabilities		
Borrowings from financial institutions	53,304	91,055
Other borrowings	109,564	–
Total financial liabilities	162,868	91,055
Other liabilities		
Trade payables	2,147	1,758
Tax and social security liabilities	12,224	5,359
Liabilities on non-current assets	3,600	4,765
Other liabilities	2,072	70,427
Total other liabilities	19,708	13,306
Deferred income	584	–
Liabilities	183,495	173,364
TOTAL EQUITY AND LIABILITIES	333,712	314,669

5.3. Notes to the company financial statements

NOTE 1 - HIGHLIGHTS FOR THE YEAR

- The Wind Power business was sold to EDF Énergies Nouvelles on 8 February 2013 for an enterprise value of €59 million, generating a capital gain of €5.6 million net of transfer fees and taxes at Group level, and €1.8 million in Albioma's company financial statements. The Wind Power business was composed of six windfarms located in France with a combined installed capacity of 56.5MW, which produced 106GWh in 2012, and five projects under development. This transaction forms part of the Group's strategy of concentrating its activities on the production of electricity from biomass and will enable it to mobilise additional resources to develop its projects in the fields of Thermal Biomass, Anaerobic Digestion and Solar Power, both in France and certain countries abroad.
- At the General Meeting of 30 May, the shareholders voted to approve the proposal submitted to them by the Board of Directors to change the company's name: Séchillienne-Sidec became Albioma. This new name, supported by the Group's new visual identity, will better reflect the development strategy for the business of recovering energy from biomass.
- Creation of the company Albioma Participações do Brasil in July 2013.
- New agreements for the provision of services signed in 2013 (retroactive to 1 January 2013) with the entities Albioma Bois-Rouge (formerly Compagnie Thermique de Bois-Rouge), Albioma Le Gol (formerly Compagnie Thermique du Gol), Albioma Le Moule (formerly Compagnie Thermique du Moule) and Albioma Caraïbes (formerly Caraïbes Énergie), based on a remuneration of 2.75% of the revenue invoiced to EDF.
- Decision taken to transfer Albioma's head office to Tour Opus 12, located in the main square of La Défense (early March 2014).

NOTE 2 - ACCOUNTING POLICIES AND METHODS

Albioma SA's financial statements have been prepared in accordance with French legal and regulatory provisions, notably those of the French General Chart of Accounts (*Plan Comptable Général*) and Commercial Code (*Code de Commerce*).

2.1. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are recognised at acquisition cost. These assets comprise fixtures and fittings, vehicles, office furniture and equipment, and IT hardware and software.

The corresponding amortisation and depreciation are calculated on a straight-line basis according to the estimated useful life of the asset as follows.

- Software: 2 years
- IT hardware: 3 years
- Other property, plant and equipment: 5 years

Where applicable, an impairment provision is raised if the value in use of intangible assets and property, plant and equipment is lower than their cost.

2.2. Long-term investments

Long-term investments are recorded at their cost on the acquisition date. Equity investments are measured at the lower of acquisition cost and value in use. Value in use is assessed mainly by reference to the share of shareholders' equity in the companies concerned, adjusted, where applicable, for any unrealised gains and for their current and future earnings capacity.

2.3. Stocks

Stocks are measured at purchase cost. If the estimated net realisable amount of stocks is lower than the purchase cost, an impairment loss is recognised.

2.4. Receivables

Receivables are measured at their nominal amount. An impairment loss is recognised when the inventory value is lower than the carrying amount.

2.5. Marketable securities

Marketable securities are measured using the weighted average cost method.

An impairment provision is recognised when the stock market value of these securities, or in the absence of such a valuation, their likely trading amount, is lower than their acquisition cost.

2.6. Financial instruments

The Company hedges its interest rate risk (borrowings at variable interest rates) using swaps.

Interest expense on borrowings and the net impact of the swap transaction are recorded in financial expenses.

2.7. Provisions for liabilities and charges

Provisions are recognised when:

- the Company has a present obligation as a result of a past event;
- it is probable that an outflow of resources representing economic benefits will be needed to settle the obligation;
- the amount of the obligation can be estimated reliably.

2.8. Pension and other retirement obligations

The expenses corresponding to the Company's obligations in respect of pensions and other retirement benefits have been provisioned.

Furthermore, two supplementary pension plans were put in place in 2004: a defined contribution plan covering 66 employees at 31 December 2013, supplemented by a defined benefit plan for those individuals employed by the Company prior to 1 January 1983.

Charges relating to defined contribution plans are expensed in the year in which they are incurred.

Charges relating to lump-sum retirement payment plans and defined benefit plans are provisioned using the projected unit credit method, treating length of service on a pro rata basis.

The actuarial calculations mainly take into account assumptions concerning wage increases, staff turnover rates, retirement dates and projected changes in remuneration and life expectancy, together with an appropriate discount rate.

2.9. Tax consolidation

Séchillienne-Sidec (now Albioma) and its subsidiaries Compagnie Thermique de Bois-Rouge (now Albioma Bois-Rouge) and Compagnie Thermique du Moule (now Albioma Le Moule) entered into, on 31 March 2005 and 22 April 2009 respectively, a tax consolidation agreement, renewable by tacit consent, that stipulates that application of the rules of said agreement shall not result in, for each company consolidated, a tax charge that is higher than that which it would have borne in the absence of the tax consolidation. In the absence of renewal of the agreement or in the event that the subsidiary leaves the consolidated group prior to expiry of the agreement for any reason whatsoever, the company leaving the tax consolidation group will be compensated by the head of the tax group for all additional tax costs stemming from its membership of the group.

As a result, and in accordance with opinion 2005-G of 12 October 2005 of the French National Accounting Council (*Conseil National de la Comptabilité*), a provision must be raised when the restitution of the cash saving (direct payment or recognition in a current account) is probable. Furthermore, savings relating to the parent company's loss are recognised immediately in profit or loss.

Furthermore, the following three new companies were included in the pre-existing tax group with effect from 1 January 2011: Quantum Energie Pierrelatte (now Albioma Solaire Pierrelatte), Quantum Energie Fabrègues (now Albioma Solaire Fabrègues) and Eoliennes de la Porte de France.

In 2013, the company Éoliennes de la Porte de France left the tax consolidation group following the sale of the Wind Power business.

Notes to the statement of financial position and income statement

NOTE 3 - INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

<i>In thousands of euros</i>	Gross amount at 31/12/2012	Additions 2013	Disposals 2013	Gross amount at 31/12/2013
Intangible assets and property, plant and equipment	1,639	1,270	307	2,602
Non-current assets in progress	14	1,297	363	948
Total	1,653	2,567	670	3,550

<i>In thousands of euros</i>	Amortisation, depreciation and impairment at 31/12/2012	Charge for 2013	Reversals in 2013	Amortisation, depreciation and impairment at 31/12/2013
Intangible assets and property, plant and equipment	989	208	291	906
Total	989	208	291	906

<i>In thousands of euros</i>	Net amount at 31/12/2012	Increases 2013	Decreases 2013	Net amount at 31/12/2013
Intangible assets and property, plant and equipment	650	1062	16	1,696
Non-current assets in progress	14	1,297	363	948
Total	664	2,359	379	2,644

NOTE 4 - LONG-TERM INVESTMENTS

<i>In thousands of euros</i>	Gross amount at 31/12/2012	Additions 2013	Disposals 2013	Gross amount at 31/12/2013
Participating interests	203,727	565	221	204,071
Other long-term investments	7,504	1,248	7,044	1,708
Total	211,231	1,813	7,265	205,779

<i>In thousands of euros</i>	Impairment at 31/12/2012	Charge for 2013	Reversals in 2013	Impairment at 31/12/2013
Impairment of participating interests	788	308	120	976
Impairment of other long-term investments	320	–	–	320
Total	1,108	308	120	1,296

<i>In thousands of euros</i>	Net amount at 31/12/2012	Increases 2013	Decreases 2013	Net amount at 31/12/2013
Participating interests	202,940	257	101	203,095
Other long-term investments	7,184	1,248	7,044	1,388
Total	210,124	1,505	7,145	204,483

5 • COMPANY FINANCIAL STATEMENTS

5.3. Notes to the company financial statements

4.1. Participating interests

The increase in participating interests mainly relates to:

- the creation of the company Albioma Participações do Brasil by the partial payment of capital amounting to €440 thousand;
- the acquisition of a 7.5% stake in the company Énergie de Martinique.

The reduction in participating interests mainly relates to the removal of shares in certain companies following the sale of the Wind Power business and the Solar Power companies Quantum Energie Grenade and Quantum Energie Saint-Gemme.

4.2. Other long-term investments

The reduction in other long-term investments is mainly due to the repayment by the Fleur de Canne economic interest grouping of the cash collateral, amounting to €7,009 thousand, at 31 December 2013, following the exercising of the option by Albioma Le Moule.

NOTE 5 - STOCKS

At 31 December 2013, stocks essentially comprised photovoltaic panels for €1,565 thousand.

At 31 December 2013, an impairment provision of €1,372 thousand had been booked against this stock.

NOTE 6 - MATURITY OF RECEIVABLES

<i>In thousands of euros</i>	Gross amount	Due within 1 year	Due in more than 1 year
Non-current assets			
Loans	162	–	162
Other long-term investments	1,226	–	1,226
Current assets			
Trade receivables	13,425	12,725	700
Other receivables ¹	27,350	27,350	–
Total	42,163	40,075	2,088

1. Of which, current accounts of €26,197 thousand.

NOTE 7 - BREAKDOWN OF ACCRUED INCOME

<i>In thousands of euros</i>	
Suppliers' credit notes not yet received	12
Invoices to be raised	5,249
VAT on invoices not yet received	96
Provisions for accrued income	185

NOTE 8 - SHAREHOLDERS' EQUITY

<i>In thousands of euros</i>	At 31/12/2012	Increases	Decreases	At 31/12/2013
Share capital	1,102	21	–	1,123
Additional paid-in capital	16,657	6,533	–	23,190
Legal revaluation reserve	3	–	–	3
Legal reserve	109	1	–	110
Regulated reserves	1	–	–	1
Statutory and contractual reserves	930	–	–	930
Other reserves	15,905	–	–	15,905
Retained earnings	86,163	1,249	–	87,412
Net income for the year	18,110	17,914	18,110	17,914
Regulated provisions	134	–	–	134
Total	139,114	25,718	18,110	146,722

At 31 December 2013, the share capital consisted of 29,167,899 shares with a nominal value of €0.0385 per share, fully paid-up and held for 42.57% by Financière Hélios and its shareholders, the investment fund Apax France VI and the company Altamir Amboise, and for 57.43% by various shareholders on the market.

At this same date, the company held 58,193 of its own shares (representing 0.20% of the share capital and stripped of voting rights) in connection with a liquidity agreement managed by Exane BNP Paribas.

Appropriation of 2012 net income

In accordance with the decisions of the Ordinary General Meeting held on 30 May 2013, the net income for 2012 was appropriated as follows:

In thousands of euros

Transfer to the legal reserve	1
Dividends paid	16,861
Retained earnings	1,249

The Ordinary General Meeting set the amount of the 2012 dividend at €0.59 per share and resolved to pay 50% of the dividend distributed to each shareholder, i.e. €0.295 per share, in cash, the shareholder having the option to receive the other 50% in cash or shares.

Ultimately, €10,292 thousand was settled in cash and €6,554 thousand in shares; 535,454 new shares were issued at a unit price of €12.24.

NOTE 9 - PROVISIONS FOR LIABILITIES AND CHARGES

<i>In thousands of euros</i>	Balance at 31/12/2012	Charge for the year	Reversals - utilised	Reversals of provisions no longer required	Balance at 31/12/2013
Lump-sum retirement payments	797	134	–	–	931
Defined benefit retirement plan	55	189	–	–	244
Other	1,337	981	–	–	2,318
Total	2,189	1,304	–	–	3,493

Lump-sum retirement payments

At 31 December 2013, lump-sum retirement benefits represent an amount of €931 thousand.

These charges relate to 66 individuals and are based on the collective agreement applied to Company employees. The main assumptions used are as follows:

- life expectancy table (INSEE table);
- 2.5% turnover for employees less than 46 years of age, and no turnover for employees more than 46 years of age;
- increase in wages and salaries of 3% per annum;
- discount rate of 3.5% per annum.

Defined benefit retirement plan

This relates to the introduction in 2004 of a defined benefit retirement plan for executives employed by the Company prior to 1983. The provision stood at €244 thousand at 31 December 2013.

Other

Other provisions, which essentially cover the projected risks of payment of compensation relating to disputes or legal action, increased from €1,337 thousand at 31 December 2012 to €2,318 thousand at 31 December 2013.

NOTE 10 - BORROWINGS FROM AND AMOUNTS DUE TO FINANCIAL INSTITUTIONS

- In July 2008, the Group refinanced all its borrowings.

To do this, a seven-year financing agreement for a total amount of €100 million was entered into on 14 February 2008 with Financière Océor, which has since become BPCE, as arranger, agent and lender. The key features of this agreement are as follows:

- Initial breakdown into two tranches:
- the A tranche for €80 million: loan amortisable in six annual repayments of €6.5 million and a final repayment of €41 million;
- the B tranche for €20 million: loan to cover the working capital requirement.
- Interest rate: Euribor +0.80%.

- Collateral: pledge of shares held by Albioma in Albioma Bois-Rouge and Albioma Le Gol, commitment to maintain the Company's net debt at less than €300 million during the life of the loans.

- Compliance with the usual minimum ratios:

- the R1 ratio, defined as the Company's net borrowings (all borrowings and similar debts contracted with financial institutions and other financial creditors) over consolidated EBITDA (Group operating income plus depreciation, amortisation and impairment) must be less than 2;
- the R2 ratio, defined as the Company's net borrowings over consolidated shareholders' equity (total share capital, additional paid-in capital, reserves, translation reserves, retained earnings and non-controlling interests) must be less than 2.

These covenants were met at 31 December 2013.

At 31 December 2013, the drawdowns were as follows:

- A tranche: €47,500 thousand;
- B tranche: €0 thousand.

In 2006, Séchillienne-Sidec (now Albioma) put in place interest rate swaps (lending at variable rates/borrowing at fixed rates) in order to partially hedge the borrowings from Calyon then Financière Océor; these swaps, amounting to €30,000 thousand at 31 December 2012, expired during 2013.

- In July 2009, the Company entered into a credit agreement with BESV under the terms of which the bank makes available to Séchillienne-Sidec (now Albioma) an amount of €15,000 thousand for a period of 36 months to cover its working capital requirements at a rate of Euribor plus 2.50%, with no guarantee. At 31 December 2013, this credit line was not drawn down.
- In November 2012, the Company signed two loan agreements with Banque Palatine:
 - a €6,500 thousand medium-term loan over five years, amortisable by means of constant quarterly payments, at 3-month Euribor plus a margin of 1.90%, made available at the beginning of 2013, on which the balance stood at €5,568 thousand at 31 December 2013;
 - opening of a medium-term confirmed credit for €8,500 thousand over four years, at 3-month Euribor plus 2.05%, which can be utilised upon giving three months' notice of intention to draw down, but not utilised at 31 December 2013.

5 • COMPANY FINANCIAL STATEMENTS

5.3. Notes to the company financial statements

NOTE 11 - MATURITY ANALYSIS OF LIABILITIES

<i>In thousands of euros</i>	Gross amount	Due within 1 year	Due between 1 and 5 years	Due in more than 5 years
Borrowings from and amounts due to financial institutions	53,304	8,001	45,303	–
Sundry borrowings and financial liabilities ¹	109,564	109,564	–	–
Trade suppliers	606	606	–	–
Tax and social security liabilities	12,224	12,224	–	–
Suppliers of non-current assets	5,158	5,158	–	–
Other liabilities	2,055	2,055	–	–
Total	182,911	137,608	45,303	–

1. Of which, €109,564 thousand representing amounts due to subsidiaries, mainly in connection with cash pooling. At 31 December 2012, amounts due to subsidiaries appear in the statement of financial position in "Other liabilities".

NOTE 12 - ACCRUED EXPENSES

<i>In thousands of euros</i>	
Invoices not yet received	1,558
Amounts due to employees	3,583
Amounts due to the State	243
Provisions for accrued expenses	752
Credit notes to be raised	968
VAT on invoices to be raised	258
Accrued interest on borrowings	236

NOTE 13 - REVENUE

In 2013, revenue essentially consisted of the sale of services to subsidiaries.

NOTE 14 - NET FINANCIAL INCOME

Net financial income for the year ended 31 December 2013 mainly comprises:

- in income, dividends received in 2013 from subsidiaries and participating interests for €23,723 thousand;
- in expenses, the recognition of an impairment loss of €3,190 thousand on a financial asset of one of the subsidiaries in the Solar Power sector, that can present indications of a loss in value according to the methodology described in note 2.2.

Albioma SA also recognised in expenses the tax in respect of its own taxable profit for 2013 before the tax consolidation of €8,881 thousand.

NOTE 15 - NET NON-RECURRING INCOME/ (EXPENSE)

Net non-recurring income/(expense) for the year ended 31 December 2013 mainly includes:

- in income, the sale price of the Wind Power business;
- in expenses, the carrying amount of the shares sold, the expenses related to the sales and a provision intended to cover the risk on long-term investments.

Other information

NOTE 16 - CORPORATION TAX

The scope of the tax consolidation at 31 December 2013 includes the company Albioma and its subsidiaries Albioma Bois-Rouge and Albioma Le Moule, in accordance with the tax grouping agreements signed on 31 March 2005 and 22 April 2009 respectively, plus two new companies that were added to the scope on 1 January 2011, Albioma Solaire Pierrelatte and Albioma Solaire Fabrègues.

At 31 December 2013, for the Company, the head of the tax group, these agreements resulted in a tax credit of €10,838 thousand, corresponding to the tax saving stemming from the tax consolidation.

Albioma SA also recognised in expenses the tax in respect of its own taxable profit for 2013 before the tax consolidation of €8,881 thousand.

NOTE 17 - BREAKDOWN OF CORPORATION TAX BETWEEN CURRENT PROFIT OR LOSS AND NON-RECURRING PROFIT OR LOSS (IN THOUSANDS OF EUROS)

Profit before tax	Corporation tax
Current	(1,581)
Non-recurring	(321)
Total	(1,902)

NOTE 18 - INCREASES AND DECREASES IN THE FUTURE TAX LIABILITY

The latent tax position is analysed as follows at 31 December 2013:

Type of temporary differences <i>(in thousands of euros)</i>	Base amount	Increases and decreases in the future tax liability
Increases		
Total increases in the future tax liability	-	-
Decreases		
Provision for lump-sum retirement benefits and supplementary pensions	323	113
Employee profit-sharing	275	96
Other	1,466	511
Total decrease in the future tax liability	2,064	720

NOTE 19 - TRANSACTIONS WITH RELATED PARTIES

Albioma SA entered into the following transactions with related parties:

<i>In thousands of euros</i>	Albioma subsidiaries 2013	Albioma subsidiaries 2012
Statement of financial position		
Trade receivables	12,120	5,512
Accrued expenses	7	33
Subsidiaries' current accounts – debit and tax consolidation	26,197	45,352
Accrued income	56	185
Subsidiaries' current accounts – credit and tax consolidation	109,859	70,016
Trade payables	65	4
Deferred income	-	-
Income statement		
Operating income		
Sales of PV plants, equipment and services	18,702	11,698
Recharging of seconded employees	730	2,901
Operating expenses		
Purchases of equipment	-	1,018
Financial expenses		
Interest on subsidiaries' current accounts	58	118
Financial income		
Interest on loans and advances	427	716
Income from participating interests	23,723	23,166

Transactions with related parties are entered into on an arm's length basis.

5 • COMPANY FINANCIAL STATEMENTS

5.3. Notes to the company financial statements

NOTE 20 - EMPLOYEES

At 31 December 2013, Albioma SA employed a total of 75 staff (including one corporate officer) compared with 61 (including one corporate officer) at 31 December 2012.

NOTE 21 - REMUNERATION OF THE ADMINISTRATIVE BODIES

Remuneration paid by the Company in 2013 to corporate officers totalled €821 thousand, compared with €595 thousand in 2012.

A charge of €133 thousand was recognised in 2013 in respect of attendance fees allocated to members of the Board of Directors.

NOTE 22 - OFF-BALANCE SHEET COMMITMENTS

<i>In thousands of euros</i>	2013	2012
Off-balance sheet commitments given		
Guarantees given to suppliers	3,000	3,000
Financing of project companies	3,700	5,750
Option to repurchase shares held by non-controlling interests	3,055	3,055
Liabilities guarantees	11,903	3,200
Sundry commitments	252	292
Total off-balance sheet commitments given	21,910	15,297
Off-balance sheet commitments received		
Lines of credit granted but not utilised	43,500	15,000
Earn-outs on disposal of the Wind Power business	Non-évalué	–
Total off-balance sheet commitments received	43,500	15,000

22.1. Off-balance sheet commitments given

- Guarantees given to suppliers: this commitment concerns counter-guarantees for payment given to suppliers in connection with supply agreements entered into by the subsidiaries.
- Financing of project companies: this commitment concerns the financing of projects and the operation of developing subsidiaries. At 31 December 2013, the non-financed commitment amounted to €3.7 million.
- Option to repurchase shares held by non-controlling interests: in order to guarantee the founders of Methaneo a liquid market for the shares they hold in the Company's share capital, in 2012 Albioma SA granted

a repurchase promise in respect of half of the shares held by these founders in 2016 and all the remaining shares in 2018. Based on the repurchase formula stipulated in the agreement, this commitment is estimated at €3.1 million at 31 December 2013.

- Liabilities guarantees: in connection with an earlier sale of a business, the Group granted a liabilities guarantee for a maximum amount of €2.4 million. The change compared with 2012 is mainly attributable to the commitments given in connection with the sale of the Wind Power business to EDF Énergies Nouvelles on 11 February 2013.

Note that, in connection with certain project financing transactions, Albioma SA has also pledged shares in its subsidiaries to the lenders.

Pledges of subsidiaries' shares

Company	Start date of pledge	Maturity date of pledge	Amount of pledged assets (in thousands of euros)	Value of securities in the parent company's financial statements (in thousands of euros)	Corresponding %	Number of shares pledged	% of capital pledged
OTEO La Baraque	09/11/2005	31/12/2022	4,868	4,868	100%	1,902,500	100%
OTEO Saint-Aubin	15/04/2004	31/12/2020	1,886	1,886	100%	637,500	100%
Albioma Bois-Rouge	14/02/2008	17/02/2015	63,366	63,366	100%	1,234,982	100%
Albioma Le Gol	14/02/2008	17/02/2015	8,416	28,055	30%	199,800	30%
Albioma Solaire Guyane	18/12/2009	26/12/2026	40	40	100%	4,000	100%
Albioma Solaire Lasalle	22/04/2010	31/12/2025	32	32	100%	3,200	100%
Albioma Solaire Matoury	17/12/2010	30/11/2029	1,813	1,813	100%	1,600,240	100%
Albioma Solaire Pierrelatte	29/10/2009	30/06/2028	1,956	3,836	51%	195,636	51%

22.2 Off-balance sheet commitments received

- Lines of credit granted: Albioma SA received commitments for the financing of projects and operations for an amount of €43.5 million, not drawn down at 31 December 2013 (see details on these borrowings in note 10).
- Earn-outs from sales that took place in 2013: sale of the Wind Power business to EDF Energies Nouvelles on 11 February 2013. Albioma SA received a conditional earn-out commitment, valid for five years, related to projects under development. This earn-out is conditional on the success of these projects.

NOTE 23 - INFORMATION ON FINANCE LEASES

At 31 December 2013, there were no finance leases in force.

NOTE 24 - FINANCIAL DERIVATIVES

The hedging of variable-rate borrowings for a notional amount of €30,000 thousand by two interest rate swaps (lending at variable rates/borrowing at fixed rates) at 31 December 2012 was unwound during 2013.

NOTE 25 - CONSOLIDATION

The financial statements of Albioma SA are fully consolidated by Financière Hélios.

NOTE 26 - EVENTS AFTER THE REPORTING PERIOD

On 5 March 2014, Albioma announced the acquisition, in Brazil, for BRL137 million (€43 million), of Rio Pardo Termoelétrica, a cogeneration plant located in the State of São Paulo. The plant, located in an area that is very conducive to the cultivation of sugarcane, operates all year round using the bagasse harvested over nine months.

This plant, brought into service in 2009, is fitted with high-quality equipment and has an installed capacity of 60MW, similar to that of the Group's other plants. It is adjacent to a sugar refinery that currently processes 2.1 million tonnes of sugarcane per annum. Albioma's unique expertise will significantly enhance the energy efficiency of the existing facilities, which will ultimately transfer 160GWh of electricity to the grid per annum.

Thanks to this acquisition, Albioma has completed the first deal for the production of energy (including operation) from a sugar refinery in Brazil and thus confirms its status as a preferred partner of players in the sugar industry.

The acquisition of 100% of the shares in the cogeneration plant was finalised on 31 March 2014. This operation, financed for 50% by local debt and 50% by equity, is expected to make a positive contribution both in terms of EBITDA and net income, Group share, as from the 2014 financial year.

The sugar refinery ultimately plans to increase its crushing processing capacity to three million tonnes of sugarcane per annum. Albioma will thus have the opportunity to build a 15MW extension to the cogeneration plant, enabling it to recover energy from the additional quantity of bagasse.

Albioma is currently holding talks with several Brazilian sugar refineries to take over existing plants or build new cogeneration plants, with the aim of completing a new project every 12 to 18 months.

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5.4. List of subsidiaries and participating interests

5.4. List of subsidiaries and participating interests

<i>In euros (unless stated otherwise)</i>	Share capital	Other equity	Number of shares held	% held
Albioma Le Gol (ALG) Formerly Compagnie Thermique du Gol Le Gol 97450 Saint-Louis (Réunion)	13,354,534	90,031,556	566,045	64.62%
Albioma Bois-Rouge (ABR) Formerly Compagnie Thermique de Bois-Rouge 2, chemin de Bois-Rouge 97440 Saint-André (Réunion)	18,826,302	36,424,849	1,235,000	100.00%
Exploitation Maintenance Services (EMS) 2, chemin de Bois-Rouge 97440 Saint-André (Réunion)	1,080,000	57,612	1	0.03%
Sud Thermique Production (STP) 2, chemin de Bois-Rouge 97440 Saint-André (Réunion)	840,000	29,613	1	0.06%
Albioma Le Moule (ALM) Formerly Compagnie Thermique du Moule 97160 Le Moule (Guadeloupe)	22,379,516	18,180,293	1,468,000	100.00%
Compagnie Industrielle Cendres et Mâchefers (CICM) Route du Cimetière 97419 La Possession (Réunion)	887,400	249,340	1,972	33.98%
Caraïbes Thermique Production (CTP) 97160 Le Moule (Guadeloupe)	770,000	55,245	1	0.06%
Isergie (year ended 30 September 2013) 86, rue des Martyrs 38000 Grenoble	3,811,226	1,589,925	10,000	4.00%
Albioma Guadeloupe Logistique (AGL) Formerly Recyclage, Cendres, Mâchefers Industries 97160 Le Moule (Guadeloupe)	686,021	67,862	44,993	99.99%
Terragen Formerly Compagnie Thermique de Bellevue 18, rue Edith Cavell Port-Louis (Mauritius)	520,523,500 MUR	950,989,621 MUR	14,054,134	27.00%
Terragen Management Formerly Compagnie Thermique de Bellevue Management 18, rue Edith Cavell Port-Louis (Mauritius)	100,000 MUR	1,358,719 MUR	2,825	28.25%
Éoliennes des Quatre-Vents 22, place des Vosges. Immeuble Le Monge La Défense 5 92400 Courbevoie	40,000	1,861,905	4,000	100.00%
OTEO Saint-Aubin Formerly Compagnie Thermique du Sud Port-Louis (Mauritius)	255,000,000 MUR	276,032,763 MUR	637,500	25.00%
Albioma Galion (AG) Formerly Compagnie de Cogénération du Galion Usine du Galion 97220 La Trinité (Martinique)	17,040,000	18,556,960	13,632,000	80.00%
OTEO La Baraque Formerly Compagnie Thermique de Savannah Anglo-Mauricius Building Adolphe de Plevitz Street Port-Louis (Mauritius)	761,000,000 MUR	308,569,830 MUR	1,902,500	25.00%

5.4. List of subsidiaries and participating interests

Carrying amount of the shares		Shareholder advances, loans and current accounts	Dividends received in 2013	Revenue (excl. tax) for the last financial year	Net income for the last financial year
Gross	Net				
28,054,763	28,054,763	–	9,062,364	99,524,565	13,833,658
63,365,942	63,365,942	–	3,235,700	90,653,055	13,142,764
15	15	–	–	7,671,260	4,853
8	8	–	–	8,665,726	3,548
35,774,619	35,774,619	–	–	76,899,821	7,325,136
312,260	312,260	–	98,550	8,108,566	74,226
15	15	–	–	7,988,363	32,820
198,184	–	–	–	10,680,948	(285,007)
685,958	685,958	–	77,400	4,972,203	(971)
5,392,972	5,392,972	–	598,522	1,115,473,642 MUR	136,246,875 MUR
2,400	2,400	–	–	38,012,309 MUR	369,293 MUR
40,000	40,000	–	–	–	2,223,069
1,885,803	1,885,803	–	460,461	789,568,484 MUR	89,497,165 MUR
13,632,000	13,632,000	–	–	46,614,699	2,948,815
4,868,018	4,868,018	–	859,528	1,669,739,691 MUR	154,049,646 MUR

5 • COMPANY FINANCIAL STATEMENTS

5.4. List of subsidiaries and participating interests

<i>In euros (unless stated otherwise)</i>	Share capital	Other equity	Number of shares held	% held
Énergie Beaufonds 8. allée de Beaufonds 97470 Beaufonds (Réunion)	37,000	(46,714)	1,195	64.62%
Albioma Caraïbes (AC) Formerly Caraïbes Énergie 97160 Le Moule (Guadeloupe)	17,040,000	10,414,881	1,704,000	100.00%
Albioma Solaire Réunion (ASR) Formerly SCE Société de Conversion d'Énergie 31, rue Eudoxie Nongé 97490 Sainte-Clotilde (Réunion)	50,000	10,043,900	5,000	100.00%
Plexus Sol 31, rue Hélène Boucher 97438 Sainte-Marie (Réunion)	37,000	975,675	3,700	100.00%
Albioma Solaire Guyane (ASG) 22, place des Vosges, Immeuble Le Monge La Défense 5 92400 Courbevoie	40,000	2,151,829	4,000	100.00%
Albioma Solaire Antilles (ASA) Formerly Quantum Énergie Antilles Usine du Galion 97220 La Trinité (Martinique)	10,185,000	(1,779,558)	814,800	80.00%
Albioma Solaire Habitat (ASH) Formerly Quantum Énergie Habitat Usine du Galion 97220 La Trinité (Martinique)	4,370,000	(394,405)	349,600	80.00%
Albioma Power Alliance (APA) Formerly Power Alliance SCE 36, cour de l'Usine de Bois-Rouge 97440 Saint-André (Réunion)	120,000	1,088,538	500	50.00%
Élect'Sécurité 7. rue des Amarreuses. ZA La Fabrique 97224 Ducos (Réunion)	100,000	NC	300	30.00%
Quantum Energia Italia Piazzale Biancamano n°8 20121 Milan (Italy)	110,000	(265,127)	–	100.00%
Sun Developers 2 (Linares) Sancha de Lara 13 29015 Malaga (Spain)	113,250	–	–	100.00%
Sun Developers 3 (Linares) Sancha de Lara 13 29015 Malaga (Spain)	226,500	–	–	100.00%
Sun Developers 18 (Linares) Sancha de Lara 13 29015 Malaga (Spain)	250	–	–	100.00%
Sun Developers 15 (Orgiva) Sancha de Lara 13 29015 Malaga (Spain)	4,306	10,942	–	100.00%
Sun Developers 16 (Orgiva) Sancha de Lara 13 29015 Malaga (Spain)	4,006	(4,472)	–	100.00%

5.4. List of subsidiaries and participating interests

Carrying amount of the shares		Shareholder advances, loans and current accounts	Dividends received in 2013	Revenue (excl. tax) for the last financial year	Net income for the last financial year
Gross	Net				
18,803	18,803	–	–	–	(2,549)
17,040,000	17,040,000	8,005,075	–	38,285,998	3,507,510
6,245,864	6,245,864	–	7,000,000	8,331,090	2,855,692
459,111	459,111	291	85,000	943,268	186,236
40,000	40,000	–	1,857,000	7,836,434	2,147,802
8,148,000	8,148,000	–	–	4,796,388	1,034,511
3,496,000	3,496,000	–	–	1,975,164	488,737
60,000	60,000	–	–	1,297,300	556,684
30,000	–	–	–	NC	NC
110,000	–	–	–	–	(50,163)
113,250	–	112	–	–	–
226,500	–	118	–	–	–
250	–	–	–	–	–
458,841	458,841	777,751	–	6,256	(3,781)
355,237	355,237	699,501	–	2,881	(2,941)

5 • COMPANY FINANCIAL STATEMENTS

5.4. List of subsidiaries and participating interests

<i>In euros (unless stated otherwise)</i>	Share capital	Other equity	Number of shares held	% held
Sun Developers 17 (Orgiva) Sancha de Lara 13 29015 Malaga (Spain)	1,000	–	–	100.00%
Quantum Caraïbes Usine du Galion La Trinité (Martinique)	100,000	(57,481)	5,000	50.00%
Énergipôle Quantum Zone Industrielle Jaula 97129 Lamentin (Guadeloupe)	150,000	(25,477)	500	50.00%
Albioma Marie-Galante (AMG) Formerly Marie-Galante Énergie Usine de Grande Anse 97112 Grand Bourg	150,000	(16,493)	9,750	65.00%
Quantum Énergie Marsillargues 22. place des Vosges. Immeuble Le Monge La Défense 5 92400 Courbevoie	40,000	(74,820)	4,000	100.00%
Albioma Solaire Pierrelatte (ASP) Formerly Quantum Énergie Pierrelatte 22, place des Vosges, Immeuble Le Monge La Défense 5 92400 Courbevoie	3,836,000	2,980,102	383,600	100.00%
Albioma Solaire Fabrègues (ASF) Formerly Quantum Énergie Fabrègues 22, place des Vosges, Immeuble Le Monge La Défense 5 92400 Courbevoie	40,000	252,241	4,000	100.00%
Quantum Énergie SMDC 22. place des Vosges. Immeuble Le Monge La Défense 5 92400 Courbevoie	40,000	(44,054)	4,000	100.00%
Albioma Biomasse Mimizan Formerly Quantum Énergie Le Gua 22, place des Vosges, Immeuble Le Monge La Défense 5 92400 Courbevoie	40,000	(41,687)	4,000	100.00%
Quantum Énergie PV1 22. place des Vosges. Immeuble Le Monge La Défense 5 92400 Courbevoie	40,000	(66,265)	4,000	100.00%
Albioma Solaire Lassalle (ASL) Formerly Quantum Énergie Lassalle 22, place des Vosges, Immeuble Le Monge La Défense 5 92400 Courbevoie	40,000	1,580,525	3,200	80.00%
Albioma Saint-Pierre (AS-P) Formerly Saint-André Énergie 2, chemin de Bois-Rouge 97440 Saint-André (Réunion)	40,000	(640,321)	4,000	100.00%

5.4. List of subsidiaries and participating interests

Carrying amount of the shares		Shareholder advances, loans and current accounts	Dividends received in 2013	Revenue (excl. tax) for the last financial year	Net income for the last financial year
Gross	Net				
1,000	1,000	–	–	–	–
50,000	50,000	–	–	585,108	187,535
74,900	74,900	–	–	–	(6,185)
97,500	–	100,000	–	–	(3,946)
40,000	–	117,130	–	–	484
3,836,000	3,836,000	–	–	2,971,933	1,391,597
40,000	40,000	177,455	–	558,546	265,327
40,000	–	11,750	–	–	(4,764)
40,000	–	2,153	–	–	(4,781)
40,000	–	25,245	–	–	(2,290)
32,000	32,000	1,163,218	–	2,458,333	402,503
40,000	–	45,183	–	–	(7,762)

5 • COMPANY FINANCIAL STATEMENTS

5.4. List of subsidiaries and participating interests

<i>In euros (unless stated otherwise)</i>	Share capital	Other equity	Number of shares held	% held
Albioma Solaire Bethléem (ASB) Formerly SCE Société de Conversion d'Énergie B 21, rue Hélène Boucher 97480 Sainte-Marie (Réunion)	3,600,000	2,216,925	1,764,000	49.00%
Albioma Solaire Matoury (ASM) Formerly Quantum Énergie Matoury 22, place des Vosges, Immeuble Le Monge La Défense 5 92400 Courbevoie	1,600,240	481,109	1,600,240	100.00%
Albioma Solaire Kourou (ASK) Formerly Quantum Énergie Production 22, place des Vosges, Immeuble Le Monge La Défense 5 92400 Courbevoie	1,000	(53,004)	900	90.00%
Methaneo 149, avenue du Maine 75014 Paris	105,010	978,664	6,300	60.00%
Énergie de Martinique Hôtel de Région de Martinique Rue Gaston Defferre 97200 Fort-de-France (Martinique)	1,665,000	1st year 31/12/2014	75	7.50%
Albioma Participações do Brasil Edifício Galeria Sul America Rua da Quitanda, 86 - 201 e 203 Centro Rio de Janeiro, RJ CEP 20091-005 (Brazil)	10,000,000 BRL	(708,222) BRL	9,999,999	99.99%
	-	-	-	-

5.4. List of subsidiaries and participating interests

Carrying amount of the shares		Shareholder advances, loans and current accounts	Dividends received in 2013	Revenue (excl. tax) for the last financial year	Net income for the last financial year
Gross	Net				
1,764,000	1,764,000	625	388,080	3,696,060	801,051
1,812,775	1,812,775	1,978,283	–	2,418,838	161,027
900	900	72,800	–	–	(31,942)
4,582,200	4,582,200	3,300,000	–	1,000,944	(907,038)
124,875	124,875	–	1st year 31/12/2014	1st year 31/12/2014	1st year 31/12/2014
440,000 (paid-up portion at 31/12/2013)	440,000	–	–	–	(2,007,762) BRL
204,070,964	203,095,280	16,476,689	23,722,605	–	–

5 • COMPANY FINANCIAL STATEMENTS

5.5. Statutory Auditors' report on the Company's financial statements

5.5. Statutory Auditors' report on the Company's financial statements

PricewaterhouseCoopers Audit

63. rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars

Tour Exaltis - 61. rue Henri Regnault
92400 Courbevoie

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

YEAR ENDED 31 DECEMBER 2013

To the Shareholders,

In performance of the assignment entrusted to us by your General Meeting, we hereby present our report for the year ended 31 December 2013, on:

- the audit of Albioma's financial statements, as appended to this report;
- the basis of our assessment;
- the specific verifications and information required by law.

The Company's 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 Company's financial statements

We conducted our audit in accordance with the professional standards applicable in France. These standards require that we plan and perform the audit so as to obtain reasonable assurance that the financial statements are free from material misstatement. An audit includes examining, using sampling or other selection methods, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, the Company's financial statements for the year ended 31 December 2013 give a true and fair view of the assets and liabilities, financial position and results of the Company, in accordance with generally-accepted accounting principles in France.

II - Basis of our opinion

In accordance with the provisions of Article L. 823-9 of the French Commercial Code on the basis of our assessment, we bring to your attention the following items:

- the participating interests included in assets in your Company's statement of financial position are measured in accordance with the procedures set out in note 2.2 to the company financial statements. We have assessed the factors taken into consideration for the estimated value in use and, where applicable, verified the impairment calculation.

These assessments were made as part of our audit approach for the Company's financial statements taken as a whole, and therefore contributed to the formulation of our opinion expressed in the first section of this report.

III - Specific verifications and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications provided for by law.

We have no comments to make as to the fair presentation and consistency with the Company's financial statements of the information provided in the Board of Directors' Management Report and in the documents addressed to the shareholders on the financial position and the financial statements.

Regarding the information provided pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code on the remuneration and benefits paid to corporate officers and on commitments given on their behalf, we have verified their consistency with the financial statements or with the data used in the preparation of these financial statements and, where applicable, with the information gathered by your Company from companies controlling your Company or controlled by it. Based on this work, we certify that this information provides a true and fair view.

Pursuant to the law, we have verified that the various information on the acquisition of participating and controlling interests and on the identity of the holders of the share capital and voting rights has been provided to you in the Management Report.

Neuilly-sur-Seine and Courbevoie, France, 28 April 2014

The Statutory Auditors,

PricewaterhouseCoopers Audit

Jean-Christophe Georghiou
Partner

Mazars

Manuela Baudoin-Revert
Partner

Albioma's economic model is based on exchanging the sugar refinery's bagasse for the energy needed for the sugar refining process.

Terragen power plant, Mauritius: on the right, the sugar refinery, linked to the cogeneration installations, on the left, by the bagasse conveyor



6 • CORPORATE SOCIAL RESPONSIBILITY INFORMATION

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6 • CORPORATE SOCIAL RESPONSIBILITY INFORMATION

6.1. Reporting and consolidation methodology for corporate social responsibility information

6.1. Reporting and consolidation methodology for corporate social responsibility information

Subject to the clarifications set out below and in accordance with Article L. 225-102-1 of the French Commercial Code, the following information concerns Albiomia subsidiaries (as defined in Article L. 233-1 of the Commercial Code) and the companies it controls (as defined in Article L. 233-3 of the Commercial Code), in other words, companies that are consolidated using the full consolidation method (see explanations in note 37 to the consolidated financial statements for the 2013 financial year, on page 134 in chapter 4 of this Registration Document). As the entities in Mauritius are consolidated using the equity method, they are not included in the reporting and consolidation scope with regard to employment, environmental and social information ('corporate social responsibility' information).

The employment and social information concerns all operational entities (excluding Mauritius) and the head office. However, the environmental information only concerns the operational entities (excluding Mauritius), given the small contribution by head office to Group data. The environmental

information relating to the Anaerobic Digestion business is not included in this chapter, as the data contributed by the two installations that were brought into service during the year (Tiper and Capter) bear little relation at this stage to their nominal operating points. More generally, any information relating to any entity that is not consolidated using the full consolidation method is flagged and the scope clearly identified.

Information compiled in 2013 has been defined to ensure it is comparable with data published in 2012, and the Group has reviewed the materiality of this information in accordance with the Global Reporting Initiative guidelines.

Information is collected and consolidated in accordance with a unique protocol for the measuring and reporting of non-financial data, under the responsibility of the Group Environmental and Social Responsibility Department. Internal and external consistency tests are carried out on the information prior to consolidation and publication. Information is verified by an independent firm in accordance with the applicable laws and regulations (see the auditor's statement of completeness and limited assurance report on the information relating to the 2013 financial year presented in section 6.5, page 173 of this Registration Document).

6.2. Employment information

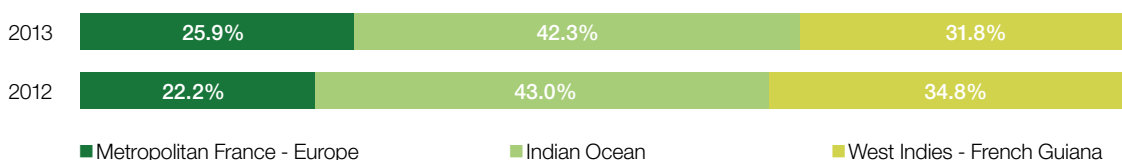
Pursuant to Article 28 of the European Regulation no. 809/2004 of the European Commission of 29 April 2004, the employment information stated in the Management Report for the financial year ended 31 December 2011 (pages 82 to 99 of the 2011 Registration Document filed with the Financial Market Authority on 30 April 2012 under no. D.12-0476) is included by reference in this Registration Document.

6.2.1. EMPLOYMENT

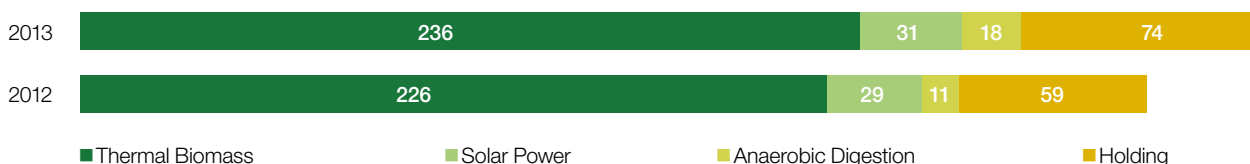
6.2.1.1. Total workforce and breakdown of employees according to gender, age and geographic location

As at 31 December 2013, Albiomia employed 359 men and women (325 in 2012), most of whom are located in the French overseas *départements* (DOM).

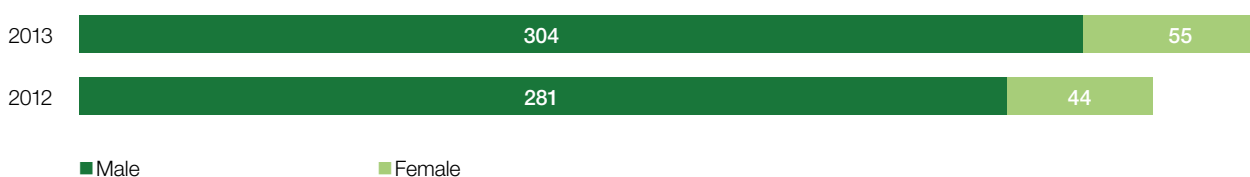
Breakdown of workforce according to geographic location as at 31 December 2013



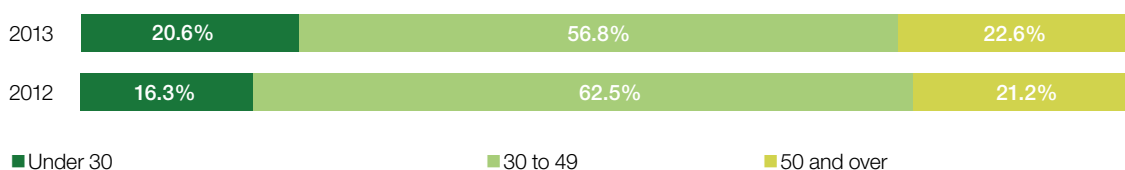
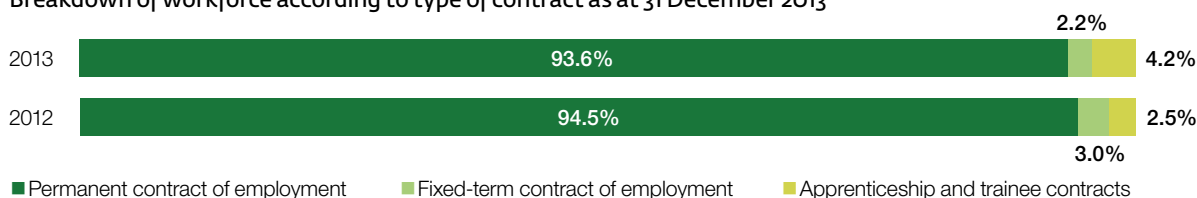
Breakdown of workforce according to business sector as at 31 December 2013



Breakdown of workforce according to gender as at 31 December 2013



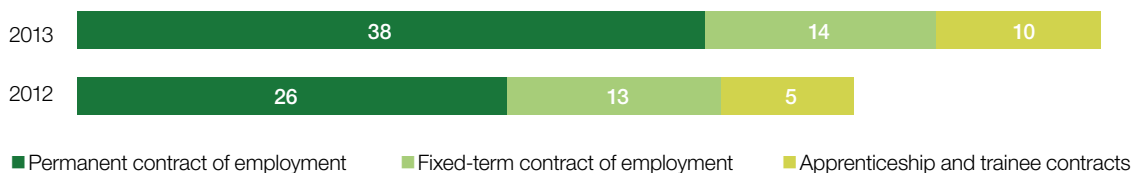
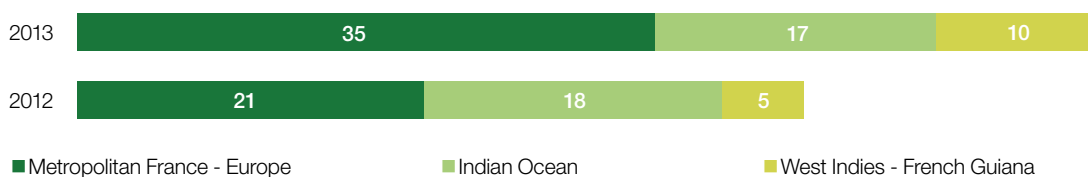
The number of employees rose overall (+10%) in 2013, with a greater increase in the number of female employees (+25%) as compared to male employees (+8%).

Breakdown of workforce according to age as at 31 December 2013**Breakdown of workforce according to type of contract as at 31 December 2013**

Albioma's objective is to hire at least 5% of all employees under apprenticeship or professional training contracts or internships. In 2013, trainees, interns and apprentices accounted for 8.4% of the Group's total workforce.

Breakdown of workforce according to employee category as at 31 December 2013**6.2.1.2. Recruitment and departures**

The Group hired 62 people in 2013 (44 in 2012).

Breakdown of recruitments according to type of contract**Breakdown of recruitments according to geographic location**

The large number of recruitments in Metropolitan France in 2013 is due to the decision to enhance the holding company's scope of intervention, and does not indicate any reversal of the Group's policy to retain a firm presence in the French overseas *départements*.

28 employees left the Group in 2013 (24 in 2012), only one of whom was dismissed. The Group's turnover rate¹ rose from 11.4% in 2012 to 13.8% in 2013.

1. Average Group recruitments and departures over the year in relation to the total workforce as at 1 January.

6 • CORPORATE SOCIAL RESPONSIBILITY INFORMATION

6.2. Employment information

6.2.1.3. Remuneration and changes in remuneration

Remuneration policy

The Group has developed a remuneration policy based on local employment market conditions, fairness considerations within the Group, applicable legislation and, in some cases, collective bargaining agreements and specific rules relating to employees in the electricity and gas industries ("IEG").

Albiomia's remuneration policy acknowledges each individual's responsibilities and performance as well as collective performance, through a profit-sharing plan, an incentive scheme, an employee savings scheme, the allotment of bonus shares and a range of benefits.

Changes in gross average monthly salaries

Albiomia determines its policy on salary increases in light of budgetary objectives, the current employment market and the Group's human resources objectives.

Employees with "IEG" status (employees with special status who work in the electricity and gas industries - (*Industries Électriques et Gazières*)) benefit from the mandatory branch-wide annual salary negotiations, which determine the percentage by which the National Base Salary will be increased and also propose a rate applicable to career advancement, measures automatically applying on the basis of seniority and measures applying to individual promotions.

The gross average monthly salary, including all items of remuneration and for all sites, was €5,145 in 2013.

Profit-sharing, incentive and employee savings plans

The Group's profit-sharing, incentive and employee savings plans are described in this section.

Albiomia

Company savings plan

The Company savings plan was set up on 1 December 1999 and offers Company employees the possibility of building up a securities portfolio with the help of their employer. More specifically, employees can invest in the special employee shareholder company investment fund, which invests in company shares (*fonds commun de placement d'entreprise* Albiomia).

Employees can make voluntary payments into the savings plan, and also pay in amounts received under the collective incentive scheme or profit-sharing plan and company contributions. Amounts invested in the savings plan are locked in for a five-year period, subject to the cases for early withdrawal allowed by French law.

Employees who have worked for the Company for more than three months can invest up to 25% of their annual remuneration in the savings plan.

Incentive scheme

The Company has put in place a succession of incentive schemes since 2006. The most recent covers the 2012-2014 period and entitles employees who have worked for the Company for more than three months to an incentive bonus linked to the Company's profitability and growth.

Profit-sharing plan

The Company set up a profit-sharing plan in 2003, which has subsequently been amended on several occasions. The plan entitles all employees who have worked for the Company for more than three months to a share of the special profit-sharing reserve, calculated on the basis of the Company's profits in accordance with the method defined in Article L. 3324-1 of the French Employment Code. The special profit-sharing reserve is divided between the employees on the basis of their salary.

Operating companies

The following plans and schemes apply specifically to the operating companies:

- Economic and Social Unit (*Unité Économique et Sociale – UES*) Thermique Reunion (Albiomia Bois-Rouge - Exploitation Maintenance Services - Albiomia Le Gol - Sud Thermique Production):
 - an inter-company savings plan and a collective inter-company savings plan were set up under branch-wide agreements in 2008 within Exploitation Maintenance Services and Sud Thermique Production;
 - incentive schemes covering the 2012-2014 period were introduced in 2012 in both these companies;
 - a special profit-sharing agreement covering the companies within the UES was set up in 2010;
- UES Albiomia Le Moule - Caraïbes Thermique Production:
 - an inter-company savings plan and a collective inter-company savings plan were set up under branch-wide agreements in 2008 within Caraïbes Thermique Production;
 - an incentive scheme covering the 2012-2014 period was introduced in 2012 in this company;
 - a special profit-sharing agreement covering the companies within the UES was set up in 2010;
- UES Albiomia Caraïbes - Caraïbes Énergie Production:
 - an inter-company savings plan and a collective inter-company savings plan were set up under branch-wide agreements in 2008 within Caraïbes Énergie Production;
 - an incentive scheme covering the 2012-2014 period was introduced in 2012 in this company;
 - a special profit-sharing agreement covering the companies within the UES was set up in 2011;
- Albiomia Solaire Antilles:
 - a company savings plan was set up in this company in 2013; it offers company employees the possibility of building up a securities portfolio with the help of their employer, and of benefiting from preferential tax treatment if they invest their incentive bonus in the plan; employees can make voluntary payments into the savings plan, and also pay in amounts received under the collective incentive scheme and company contributions. Amounts invested in the savings plan are locked in for a five-year period, subject to the cases for early withdrawal allowed by French law. Employees who have worked for the company for more than three months can invest up to 25% of their annual remuneration in the savings plan;
 - a succession of incentive schemes have been signed since 2010. The most recent entitles employees who have worked for the company for more than three months to a percentage of the payroll provided the scheduled number of hours of electricity produced by all the photovoltaic installations managed by the company is exceeded;
- Albiomia Solaire Reunion - Albiomia Power Alliance - Plexus Sol - Albiomia Solaire Mayotte:
 - a company savings plan was set up in these four companies in 2013; it offers employees the possibility of building up a securities portfolio with the help of their employer, and of benefiting from preferential tax treatment if they invest their incentive bonus in the plan; employees can make voluntary payments into the savings plan, and also pay in amounts received under the collective incentive scheme and company contributions. Amounts invested in the savings plan are locked in for a five-year period, subject to the cases for early withdrawal allowed by French law. Employees who have worked for the company for more than three months can invest up to 25% of their annual remuneration in the savings plan;

- a succession of incentive schemes have been signed since 2010. The most recent, which covers all four companies, entitles employees who have worked for these companies for more than three months to a percentage of the payroll provided the scheduled number of hours of electricity produced by all the photovoltaic installations managed by the entities is exceeded;
- Albioma Galion: a succession of incentive schemes have been signed since 2010. The most recent entitles employees who have worked for the company for more than three months to a percentage of the payroll based on the installation's coefficient of technical performance and the production sold to EDF.

Stock-option and bonus share plans

The Company's policy on stock-options and the allotment of bonus shares is described in section 7.4, page 194 of this Registration Document, together with the main features of the plans in place as at the date of filing of this Registration Document.

Retirement plans

Mandatory supplementary retirement plans for Group employees have been operated for a number of years. This was a voluntary decision for Albioma, while for the thermal power plants it is consistent with the policy applicable to the Electricity and Gas Industries. The following employees are registered with mandatory defined benefit or defined contribution collective supplementary retirement plans:

- all Company employees (defined contribution supplementary retirement plan);
- the employees of Exploitation Maintenance Services, Sud Thermique Production, Caraïbes Thermique Production, Caraïbes Énergie Production and Albioma Galion, who are registered with plans based on two branch-wide agreements:
 - a directly applicable agreement executed in 2004 specifically concerning employees residing in the overseas départements, setting up a defined contribution supplementary retirement plan and, for certain employees, a defined benefit supplementary retirement plan,
 - a national agreement executed in 2008 setting up a defined contribution supplementary retirement plan for special status employees, with effect from 1 January 2009, which is operated in each of the relevant Group companies.

6.2.2. ORGANISATION OF WORK

6.2.2.1. Organisation of working hours

All Group companies comply with the statutory and contractual obligations relating to working hours. An employee's working hours will depend on his status and the business sector in which he works.

Working hours

In hours	2013	2012
Number of hours worked	617,541	556,993
of which, number of hours of overtime	37,855	37,881
Overtime / hours worked	6.1%	6.8%

Some employees are expected to work non-standard hours due to the continuous operation of the Group's production sites. Working times, periods and breaks for those employees who work continuous shifts are determined in conjunction with the Company doctors and the employee representative bodies.

Breakdown of working hours

	2013	2012
Employees working set working hours (non-continuous shifts)	70%	69%
Employees working rotating working hours (continuous shifts)	30%	31%

6.2.2.2. Absenteeism

The absenteeism rate fell in 2013. The indicator is monitored every month by the Group Executive Committee.

	2013	2012
Absenteeism rate ¹	4.2%	4.4%

1. Ratio between hours of absence and theoretical working hours (excluding overtime).

6.2.3. LABOUR-MANAGEMENT RELATIONS

6.2.3.1. Organisation of labour-management dialogue, including procedures for informing, consulting and negotiating with employees

Within the Group, employee representation is organised as follows:

- For the Company, a single representative body (*délégation unique du personnel*) was set up in 2009.
- Single representative bodies also exist for the thermal power plants, as follows:
 - on Reunion Island, the Economic and Social Unit (UES) Thermique Réunion represents employees of Albioma Bois-Rouge, Exploitation Maintenance Services, Albioma Le Gol and Sud Thermique Production;
 - in Guadeloupe, the UES Albioma Le Moule - Caraïbes Thermique Production and the UES Albioma Caraïbes - Caraïbes Énergie Production.
- All these employee representation bodies are represented on a Group Committee, which serves to improve labour-management dialogue, operating in addition to the other bodies set up in the individual power plants and regional UES. The Group Committee met twice in 2013 (6 June and 10 December 2013) and three times in 2012 (20 January, 23 May and 30 November 2012).

All of Albioma's thermal power plants, including all the French thermal power plants whose employees have special IEG status, also have a "Secondary Employee Commission" in addition to the usual employee representative bodies. The Commission must be informed and consulted with regard to any issues affecting management of non-executive employees (recruitment, promotion, transfers).

6 • CORPORATE SOCIAL RESPONSIBILITY INFORMATION

6.2. Employment information

Following the most recent elections in 2010, the following trade unions are represented within the Group:

Economic and Social Unit (UES)	Trade union represented
Albioma SA	CFE-CGC
Thermique Réunion ¹	CGT
Albioma Le Moule - Caraïbes Thermique Production	CGT
Albioma Caraïbes - Caraïbes Énergie Production	CGT

1. Albioma Bois-Rouge - Exploitation Maintenance Services - Albioma Le Gol - Sud Thermique Production.

In 2013, a Labour-Management Dialogue Charter was put in place and applies to the entire Group. It sets out the following commitments:

- develop a labour-management partnership in a climate of mutual respect and dialogue;
- regularly distribute objective information by any means suited to communication from the top down;
- ensure effective bottom-up communication;
- respect and ensure respect for the freedom of association;
- encourage individual and collective employee freedom of expression;
- consult elected employee representatives;
- ensure the proper functioning of employee representative bodies;
- enhance and develop collective negotiations in order to resolve potential difficulties or differences of opinion through dialogue;
- review action taken in connection with the Charter at a Group Committee meeting once a year.

6.2.3.2. Review of collective bargaining agreements

In 2013, 100% of the Group's employees were covered by a collective bargaining agreement or had special IEG status.

Albioma's labour-management dialogue policy facilitates the signature of a number of collective bargaining agreements every year. In 2013, 20 agreements were signed.

6.2.4. HEALTH AND SAFETY

6.2.4.1. Health and safety conditions in the workplace

The health and safety of employees and external service providers is a key priority for the Albioma Group, and this is confirmed by the Safety Charter introduced in 2013.

The Company has acquired a number of updated operational tools and resources over the past few years, including a certified health and safety management system which consists of:

- training/awareness programmes,
- internal monitoring of action plans,
- internal health and safety audits,
- ILO OSH 2001 certification, which essentially focuses on occupational safety and health management systems, as recommended by the International Labour Organization in 2002.

This health and safety management system is already operational in the two thermal power plants on Reunion Island, Albioma Le Gol (certified in 2011) and Albioma Bois-Rouge (certified in 2013).

In addition to the means deployed on individual sites, Safety Committees were set up in each of the Group's four base thermal power plants in 2013. The Safety Committees bring together a member of General Management responsible for operations and the Head of the plant to discuss topics defined at the start of every year, in accordance with the Group's safety objectives. Committee meetings provide an opportunity to monitor safety results site-by-site, pool experience and report on achievements.

The Safety Committees report for 2013 has been examined and discussed by the Environmental and Social Responsibility Committee.

6.2.4.2. Review of agreements signed with trade unions and employee representatives relating to health and safety in the workplace

One of the collective bargaining agreements signed in 2013, and described in section 6.2.3.2, page 166 of this Registration Document concerns health and safety issues. In addition, the Safety Charter was signed in 2013. The effective implementation of this Charter will be achieved through cross-functional dialogue between management, internal and external specialists, doctors and employee representatives on the Health, Safety and Working Conditions Committees (CHSCT). The objectives and commitments set out in the Safety Charter have been defined as indicators, which are monitored by the Group Executive Committee on a monthly basis.

6.2.4.3. Accidents in the workplace, including information on their frequency and severity, and work-related illnesses

The frequency and severity rates of accidents in the workplace are monitored on a monthly basis. Ongoing efforts to improve safety have resulted in significant improvements in the frequency rate. The severity rate has remained stable, but it nevertheless remains lower than in many companies of a similar size.

	2013	2012
Frequency ¹	14.6	26.9
Severity ¹	0.45	0.44
Work-related illnesses	–	–

1. Including accidents while travelling to and from the workplace.

6.2.5. TRAINING

6.2.5.1. Training policies

Albioma believes that it is beneficial for the Group to invest in continuous professional development and training throughout each employee's career. In accordance with its Training Charter, the Group intends to provide all its employees with continuing professional and personal development opportunities by providing them with means and tools that they can use to enhance and improve their skills, achieve personal development and contribute to Albioma's competitiveness.

Albioma's commitments with regard to training are:

- to offer each employee a career assessment at least once a year, which will include a review of training received and define personal objectives;
- to encourage professional training development by defining ambitious objectives that are consistent with each region's specific profile, offering 35 hours of annual training on average, and putting in place suitable means and resources at Group level;
- to develop foreign-language training with a view to the Group's international expansion.

6.2.5.2. Total number of hours of training

The substantial improvements achieved in 2013 are indicative of the Group's commitments and the management teams' efforts to provide employees with training.

Training has focused in particular on safety and security, as this is essential if the Group is to improve its performance in this area.

In hours	2013	2012
Total number of hours of training dispensed	12,580	8,831
Average number of hours of training per employee	35	27
of which, training on safety	20	11

6.2.6. EQUALITY

6.2.6.1. Measures to promote gender equality

Gender equality is a key part of the Group's diversity policy.

The percentage of female employees remains low, although it increased in 2013. The proportion of female executive employees rose, due to recruitment in 2013.

	2013	2012
Women as a percentage of total workforce	15%	14%
Women as a percentage of executive employees	18%	17%
Women as a percentage of newly recruited employees	31%	39%

In accordance with Article L. 225-37-1 of the Commercial Code, at its meeting on 4 March 2014 the Board of Directors discussed the Company's policy on professional equality and equal pay on the basis of the preparatory work carried out by the Nomination and Remuneration Committee. More specifically, the Board of Directors approved proposals by the Nomination and Remuneration Committee to draw up and implement an action plan to increase the number of female employees, address disability issues and provide support for older employees.

6.2.6.2. Measures to promote the employment and insertion of people with disabilities

The proportion of employees with disabilities fell slightly in 2013. In order to compensate for the small number of positions accessible to potential employees with disabilities, the Group has substantially increased outsourcing to the protected workers sector.

	2013	2012
Percentage of employees with disabilities ¹	1.1%	1.2%

1. Beneficiaries of the 'BOE' obligation to employ people with disabilities.

With a view to employing more people with disabilities, disabled access criteria have been factored into the works on the new head office; the building will be accessible to people with reduced mobility from 2014.

6.2.6.3. Policy on combatting discrimination

The Group actively combats all forms of discrimination and considers diversity to be a priority in its human resources policy. Albioma believes that diversity is a source of dynamism, creativity and performance. The markets on which the Group operates are varied and complex; diversity in the workforce means we are better equipped to adapt and therefore improve overall performance.

In accordance with the Anti-Discrimination Charter, the Group's objectives are to increase diversity in its workforce by achieving a better gender balance and effectively capitalising on the many different cultures represented within Albioma.

6.2.7. PROMOTION OF AND COMPLIANCE WITH THE FUNDAMENTAL CONVENTIONS OF THE INTERNATIONAL LABOUR ORGANIZATION ON...

6.2.7.1. ...Respect of the freedom of association and the right to collective bargaining

As explained in section 6.2.3.1, page 165 of this Registration Document, the Group has introduced a Labour-Management Dialogue Charter and put in place an organisational structure that ensures freedom of association and the right to collective bargaining are respected.

6.2.7.2. ...The elimination of discrimination in respect of employment and occupation

In accordance with its Anti-Discrimination Charter, Albioma has undertaken inter alia to:

- eliminate any form of discrimination at the time of recruitment and ensure that all employees have the same promotion opportunities, irrespective of their ethnicity, nationality, culture or social background, or their political, sexual, philosophical or religious opinions, preferences or beliefs;
- promote gender equality;
- when recruiting or promoting, ensure that no type of job is reserved or excluded on the grounds of a candidate's or employee's origins;
- ensure that the employee representative bodies serve as a forum for discussion of any issues concerning the elimination of all forms of discrimination.

6.3. Environmental information

6.2.7.3. ...The elimination of compulsory or forced labour

In accordance with its Anti-Discrimination Charter, Albioma has undertaken to comply with and respect the Fundamental Conventions of the International Labour Organization, including the elimination of compulsory or forced labour.

6.2.7.4. ...The effective abolition of child labour

In accordance with its Anti-Discrimination Charter, Albioma has undertaken to comply with and respect the Fundamental Conventions of the International Labour Organization, including the effective abolition of child labour.

6.3. Environmental information

As with any industrial activity, Albioma's business impacts on the environment in a number of ways, which the Group takes every effort to measure, control and manage with a view to preventing or limiting pollution. The Group's efforts to protect the environment have focused on its thermal power plants, which accounted for 89% of installed power capacity in 2013.

Photovoltaic electricity generation –by definition, a clean energy– is monitored essentially in terms of impact on the ground and on biodiversity. This business does not generate waste, and the issue of what to do with end-of-life facilities forms part of the Group's general environmental impact management process.

6.3.1. GENERAL ENVIRONMENTAL POLICY

Albioma's environmental policy is underpinned by the Group's proactive commitment to industrial ecology. In particular, this commitment concerns:

- contributing to the energy transition through a more balanced energy mix (less dependent on fossil fuels):
 - by harnessing the Group's extensive experience of co-combustion of sugar-making bagasse to increase thermal recovery rates from other forms of biomass, while factoring in any risks of conflicting uses,
 - by developing power generation from biodegradable waste well-suited to anaerobic digestion processes,
 - by taking advantage of the abundant sunshine at its locations in the French overseas departments to develop a photovoltaic energy business;
- making efficient use of resources, in keeping with two of the four industrial ecology strategies (intensifying resource use and limiting dissipative losses):
 - by maintaining high power generation efficiency rates at its existing plants and striving for excellence through a continuous performance improvement process,
 - by incorporating the latest technological advances in the area of energy efficiency when designing new power plants;
- decreasing environmental impacts:
 - by contributing to the fight against the greenhouse effect by increasing the share of production from renewable sources,
 - by minimising the environmental impact of the Group's activities by controlling and monitoring its emissions,
 - by developing industrial ecology symbiosis solutions applicable to by-products from the Group's activities (implementing short return-to-the-earth loops, recovering by-products in construction materials, etc.).

6.3.1.1. Organisational response to environmental issues and where applicable, environmental assessment and/or certification processes

At corporate level, environmental matters are the responsibility of the Environmental and Social Responsibility department, which steers, leads and coordinates all such initiatives. The Environmental and CSR department oversees collection of environmental data, and consolidates it at Group level. Two air and water pollution experts also report to the Group's Engineering and Works department, providing support to operational subsidiaries. In 2012, Albioma set up an Environmental and Social Responsibility Committee under the aegis of the Board of Directors. This committee met three times in 2013, reflecting the Board's strong commitment to environmental issues.

In the field, subsidiaries are given considerable responsibility for management of environmental matters, depending on the level of investment required: each subsidiary is responsible for identifying and reducing its own environmental impacts, and for implementing corporate policy at local level. The principal operational subsidiaries have appointed a Quality/Safety/Environment (QSE) manager.

To ensure effective management of environmental issues, the Group has developed an active certification policy for its facilities. Environmental management is included as part of an integrated general Quality/Safety/Environment (QSE) management policy, in accordance with the ISO 14001 certification process. Each certified facility has designated managers responsible for following up environmental impact reduction action plans.

At 31 December 2013, the two thermal power plants on Reunion Island had been certified. The certification process continues at the Group's other thermal facilities in the West Indies and French Guiana region, with the goal of obtaining certification within two years.

6.3.1.2. Environmental protection-related employee training and information initiatives

Albioma makes its environmental preservation requirements clear to all employees. All employees at certified facilities are trained in environmental issues, enabling them to understand and manage the main environmental risks encountered in the course of their work. Lastly, raising awareness of environmental issues is a feature of everyday life at the Group's facilities, not least as a result of systematic efforts by QSE managers.

6.3.1.3. Resources allocated to pollution and environmental risk prevention efforts

In order to comply with regulatory requirements and uphold the Group's environmental priorities, the various production facilities devote considerable resources to reducing their environmental impact and preventing pollution risks.

The Group invested particularly heavily in treatment facilities for gaseous emissions and discharges into water in 2012.

<i>In thousands of euros</i>	2013	2012
Expenditure on pollution and environmental risk prevention	4,297	10,515

6.3.1.4. Amount of provisions and guarantees relating to environmental risks

The Group was not concerned by any environmental disputes in 2013.

In view of the obligation to provide financial guarantees – applicable to environmentally-classified facilities (*Installations Classées pour la Protection de l'Environnement - ICPE*) under the terms of the Order of 31 May 2012, which stipulates the list of classified facilities subject to the obligation to provide financial guarantees in application of Point (5°) of Section R. 516-1 of the Environmental Code – in December 2013, Albioma submitted a file to the competent authorities, in which the total cost of safely decommissioning its facilities was assessed to be €640,000. The Group must provide a financial guarantee representing at least 20% of this estimated cost by 30 June 2014, with the balance being provisioned in 20% instalments over the following four years.

6.3.2. POLLUTION AND WASTE MANAGEMENT

6.3.2.1. Measures to prevent, reduce or remediate environmentally harmful releases into the atmosphere, water or ground

Albioma is aware of the environmental impacts of its activities, makes ongoing investments to improve its production facilities and strives to reduce emissions into the atmosphere, water and the ground. The Engineering and Works department set up in 2013 is responsible for carrying out and monitoring work at thermal power plants.

In 2013, particle scrubbing works were carried out at all thermal power plants concerned by particulate emissions. The effects of the new measures will become apparent in 2014.

Atmospheric emissions

<i>In tonnes</i>	2013	2012
SOx ¹ emissions	8,090	7,260
NOx ² emissions	4,623	4,299
Particulate emissions	145	192
CO ³ emissions	1,128	1,105

1. Sulphur oxide.

2. Nitrogen oxide.

3. Carbon monoxide

Albioma commissioned research in 2013 aimed at improving the aqueous waste treatment processes and systems at its thermal power plants. The initial phases of work carried out in 2014 in the light of this research will reduce discharges into water and make it easier to recycle waste for re-use by the plants.

In parallel, the waste composition monitoring system is to be upgraded to provide the Group with additional measurements that will facilitate the task of analysing and controlling releases into water.

6.3.2.2. Waste prevention, recycling and disposal measures

The bagasse/coal thermal power stations operated by Albioma generate certain combustion by-products, namely slag and fly ash. In the past, combustion by-products have typically been used as materials for landscaping, light road construction and for filling in quarries. In France, these applications complied with Memoranda no. 94-IV-1 of 9 May 1994, relating to disposal of clinker from urban waste incineration processes, and no. 96-85 of 11 October 1996, relating to ash from filtration of fossil fuel combustion gases in environmentally-classified facilities (*ICPE*).

Following the publication of a ministerial Order on 28 October 2010 relating to inert waste disposal facilities and modifying inert waste classification criteria, the Group set up a special programme to optimise combustion by-product recovery. This programme is fully compliant with the applicable regulations. Due to the high tonnages involved, recovering combustion by-products for use as mineral resources is a source of significant economic benefits for Albioma.

Albioma launched qualification procedures for all of its coal and bagasse combustion by-products in 2013. The results of the research studies and simulations, expected in the course of 2014, will be shared with the competent authorities with a view to implementing recovery solutions over the period 2014-2018.

Combustion by-products

<i>In tonnes</i>	2013	2012
Slag	78,978	81,407
Ash	126,626	142,413
Gypsum	4,550	4,821
Total	210,154	228,641

Albioma works in symbiosis with its agribusiness partners, recovering by-products from their activities and supplying them with energy.

Albioma's Thermal Biomass activity employs a business model based on a highly efficient process for recovering energy from bagasse, a fibrous residue from the sugar cane production process. The Anaerobic Digestion activity recovers waste from livestock rearing and agribusiness residues, processing them to produce biogas, which is then either used to generate electricity and heat or is injected directly into the gas distribution network.

As an industrial ecology stakeholder, the Group is naturally fully engaged in the virtuous circle of waste reduction. Furthermore, Albioma ensures that its own industrial waste is managed by properly certified subsidiaries, and recycled whenever possible.

Industrial waste

<i>In tonnes</i>	2013	2012
Non-hazardous industrial waste	3,295	404
Hazardous industrial waste	197	189
Total	3,492	593

In 2013, the infiltration basin at the Albioma Le Gol plant was cleaned. The sludge removed from the basin during this operation accounts for the increase in volume of non-hazardous industrial waste between 2012 and 2013.

6 • CORPORATE SOCIAL RESPONSIBILITY INFORMATION

6.3. Environmental information

6.3.2.3. Inclusion of noise-related nuisances and other forms of pollution specific to a particular activity

The prefectural orders applicable to the Group's sites provide for regular measurements of noise emissions from facilities. Measurement campaigns are therefore carried out and, where appropriate, their results are used as inputs for environmental action plans.

6.3.3. SUSTAINABLE USE OF RESOURCES

6.3.3.1. Water procurement and consumption in accordance with local restrictions

Albioma's activities require the approach to water management to be adapted on a case-by-case basis, to suit the areas in which its facilities are located. To control its water consumption, the Group includes optimisation and reuse strategies when designing its production facilities, and has developed multiple initiatives designed to reduce the need for water during operations. For example, the Group's most recent thermal power plant units consume less water as a result of a more economical design and the use of air cooling towers that operate with ambient air rather than a water supply.

Water consumption is measured continuously at local level and tracked centrally at monthly Executive Committee Meetings.

Water consumption

	2013	2012
Raw water extraction (thousands of cu. m)	7,416	8,025
Water intensity of power generation activity (m ³ /MWh)	2.3	2.3

6.3.3.2. Raw material consumption and measures in favour of more efficient resource utilisation

As a consumer of fuels rather than raw materials per se, the Group strives constantly to improve the efficiency with which these fuels are used.

In thousands of tonnes	2013	2012
Bagasse consumption	611	674
Coal consumption	951	990
Heating oil consumption	37	23

6.3.3.3. Energy consumption, energy efficiency measures and use of renewable energy

The vast majority of the Group's plants operate using power generated onsite. Annual targets for reducing this consumption as a share of power generated output are set for each of the Group's thermal power plants. Performance in this area is measured by a manager onsite, and the results reported to the Group Executive Committee on a monthly basis. Engineers with the Engineering and Works department are specifically assigned to monitor and improve plant performance.

The yield in terms of electricity output per ton of sugar cane crushed is a key indicator of the performance of the industrial processes employed for Albioma's Thermal Biomass activity.

In kWh generated per ton of cane crushed	2013	2012
Electricity yield per ton of cane	141.4	140.3

Albioma is a leading producer of renewable energy in the French overseas departments and, as stated in section 6.3.1 on page 168 of this Registration Document, the Group intends to further increase its contribution to the energy transition through a more balanced energy mix.

	2013	2012
Renewable energy as a percentage of total power output	31.1%	35.2%

In 2013, the West Indies – French Guiana region experienced an unusually severe drought, which adversely impacted local sugar cane production. As a result, less bagasse was available than in 2012, reducing the share of Albioma's output obtained from renewable energy. The decrease in the percentage of renewable energy sources was also partially attributable to the disposal of the Group's Wind Power business at the start of 2013.

6.3.3.4. Land use

Land use issues are a focus of attention for Albioma's photovoltaic activities using solar farms. During the design process for such photovoltaic power plants, the Group researches sustainable solutions to avoid or minimise any encroachment onto farming land, and where applicable, offset any impact on agricultural activities.

Solutions to develop sheep farms on grazing land occupied by photovoltaic panel arrays have been implemented. Albioma has also begun operating a photovoltaic plant on restored land over a landfill site on Reunion Island.

6.3.4. CLIMATE CHANGE

6.3.4.1. Greenhouse gas emissions

Albioma produces renewable energy and, as stated in section 6.3.1 on page 168 of this Registration Document, the Group intends to actively reduce its greenhouse gas emissions by adopting a better energy mix.

	2013	2012
Direct greenhouse gas emissions (thousands of tons CO ₂ eq)	2,360,404	2,403,476
of which CO ₂ ¹ emissions	2,329,147	2,379,569
of which N ₂ O ² emissions	24,913	16,299
of which CH ₄ ³ emissions	6,344	7,608
Carbon intensity of electricity and steam production ⁴ (grams de CO ₂ / kWh)	729.9	678.3

1. Carbon dioxide.

2. Nitrogen protoxide.

3. Methane.

4. Only direct CO₂ emissions are included.

In 2013, the Albioma Le Moule power plant recovered less bagasse than in 2012; this was due to a rare and severe drought in Guadeloupe. Coal consumption was consequently higher, in turn increasing the carbon intensity of the Group' power generation activity.

6.3.4.2. Adaptation to the effects of climate change

The Intergovernmental Panel on Climate Change (IPCC) predicts a strong probability of extreme rainfall events becoming more intense and more frequent in humid tropical regions, such as those in which the Group operates. Albioma is careful to assess the vulnerability of its planned and existing installations with due consideration for climate change forecasts.

6.3.5. BIODIVERSITY PROTECTION

Measures to preserve or enhance biodiversity

Impact studies conducted during the construction phase for each of the Group's plants have yielded offset measures or recommendations relating to biodiversity issues such as restoring natural habitats, blending structures into the landscape, etc. These measures and recommendations have been systematically taken into consideration and implemented by the Group.

6.4. Social information

6.4.1. TERRITORIAL, ECONOMIC AND SOCIAL IMPACT OF THE COMPANY'S ACTIVITIES...

6.4.1.1. ...In terms of employment and local development

Albioma is the partner of choice for the agribusiness sector. The Group's economic model is based on long-term partnerships with local stakeholders in the sector. This local presence contributes to the protection of thousands of jobs upstream of the Group's activities, in particular via the 'bagasse premium'. The premium corresponds to a fraction of electricity revenues from bagasse power plants, which is passed on to the sugarcane growers and refineries. The sugarcane sector represents 12,000 jobs on Reunion Island¹ and 10,000 jobs in Guadeloupe².

Wherever the Group operates, its subsidiaries:

- provide employment in local economies by recovering biomass obtained from co-products and by-products of agribusiness processes;
- develop their employees' skills while providing fair pay and incentives;
- generate significant business for the industrial fabric and local service providers;
- increase the added value of goods and services purchased from suppliers and partners;
- generate tax revenues for public authorities, and income for shareholders and lenders.

	2013	2012
Number of direct and indirect jobs supported ¹	694	588
Proportion of local purchases ²	68%	59%
Amount of taxes paid to local authorities (in thousands of euros)	9,857	12,012

1. Excluding jobs upstream.

2. As a percentage of the Group's total purchases, excluding raw materials.

1. Source: Reunion Island sugar industry association (Syndicat du Sucre de La Réunion).

2. Source: Guadeloupe Office of food, agriculture and forests (Direction de l'Alimentation, de l'Agriculture et de la Forêt).

The most significant local economic impact associated with the operation of the Group's thermal power plants is the 'virtuous partnership' with sugar refineries. Adopting a circular economy approach, Albioma uses the co-products of the sugarcane industry and provides its sugar refinery partners with the electricity and steam they need for production. Its energy efficiency expertise also means it can help to improve the sugar refineries' operational performance (improving certain energy-intensive industrial processes, reducing the number of shutdowns and failures, reducing maintenance costs).

	2013	2012
Steam supplied to sugar refineries (thousands of tonnes)	816	958
Estimated saving for sugar refineries ¹ (in thousands of euros)	7,340	8,619

1. Steam sale price, excluding fuel, estimated at €9 per tonne.

6.4.1.2. ...On local populations and residents

The Group's power generation activity directly helps to provide an essential service to local populations, especially in areas that are not connected. Albioma produces a substantial proportion of the electricity consumed on Reunion Island and in Guadeloupe (see information on the Group's market position in section 1.3.3, page 11 of this Registration Document).

	2013	2012
Net electricity produced and sold ¹ (GWh), of which:	2,314	2,506
thermal	2,217	2,303
solar	97	97
Number of households whose electricity is supplied by Albioma	857,039	928,245
Number of people whose electricity is supplied by Albioma	1,885,485	2,134,964

1. Group's total net production sold, excluding Mauritius.

The Group makes every effort to fit into the local environment, and strives to deliver a high-quality, reliable power supply. The high availability rate of Group power plants once again improved in 2013.

	2013	2012
Availability rate of thermal power plants ¹	92.3%	92.2%

1. This rate corresponds to the average availability rates of thermal power plants weighted to factor in net power output. The availability rate is the ratio between the maximum energy produced by the plant and the maximum demand for energy.

The Group's photovoltaic installations in the West Indies - French Guiana region include rooftop photovoltaic panels on social housing in Martinique. This project arose out of a close partnership with Société Immobilière de la Martinique (SIMAR). The panels cover the electricity needs of 1,400 residents, who will in time see their service charges fall as a result. Similarly, the additional income generated will enable SIMAR to renovate these homes.

6 • CORPORATE SOCIAL RESPONSIBILITY INFORMATION

6.4. Social information

6.4.2. RELATIONS WITH INDIVIDUALS AND ORGANISATIONS CONCERNED BY THE COMPANY'S ACTIVITIES, INCLUDING OCCUPATIONAL INSERTION ASSOCIATIONS, EDUCATIONAL ESTABLISHMENTS, ENVIRONMENTAL ASSOCIATIONS, CONSUMER ASSOCIATIONS AND LOCAL RESIDENTS

6.4.2.1. Dialogue with interested individuals and organisations

Albioma maintains sustained dialogue with internal and external stakeholders (government representatives, mayors, local authorities, associations). The Group's main objective is to create a climate of calm and open dialogue in the areas in which it operates, at local level through the actions of its subsidiaries and at head office level through centralised actions.

Several thousand people visited Albioma sites in 2013, including school groups and representatives of the industrial and agricultural sectors.

To mark the inauguration of Tiper Méthanisation, the Group's first Anaerobic Digestion installation located in Thouars (Deux-Sèvres), two open days were organised on 27 and 28 April 2013. They were a resounding success with more than 2,000 visitors, two-thirds of whom were local residents.

The Group is aware of the local interest in its industrial installations and uses such occasions to welcome the general public and provide information on this cutting-edge sector. In 2012, the 20th anniversary of the opening of the Albioma Bois-Rouge powerplant provided the Group with an opportunity to recall its long-standing partnership with the sugarcane industry on Reunion Island, and welcome more than 200 local residents to the site.

6.4.2.2. Partnerships and sponsorships

Partnership with Bioalgotral

As part of its strategy to promote the innovation and development of new sources of green energy, Albioma sponsors the Reunion-based research group Bioalgotral, which is currently researching *inter alia* the production of micro-algae based biofuels. Albioma has agreed to support this promising local initiative through financial contributions to research work and a commitment to use the biofuel produced if possible. The exclusive partnership agreement between Albioma and Bioalgotral was signed on 6 February 2013.

Bioalgotral aims to produce a third generation biofuel. The objective of the patented technology developed by Bioalgotral is the sustainable and economically viable production of micro-algae based on the use of an algae production unit associated with a waste water treatment plant and a biogas digester. The process extracts nutrients from the waste water and fixes the CO₂ released by the anaerobic digestion unit without causing any pollution or damage to the natural environment.

Almar training plan

The future commissioning of the new Albioma power plant in Martinique, together with the number of employees of existing power plants who will soon reach retirement age, mean there is a need for a training plan to provide training in the Group businesses to potential young employees in the overseas *départements*. The Almar training plan was born from a partnership between the AFPA adult professional training organisation (*Association pour la Formation Professionnelle des Adultes*), the LADOM agency for the promotion of professional mobility in the overseas *départements* (*Agence de l'Outre-mer pour la Mobilité*), the AGEFOS PME training tax collection agency (*Organisme Paritaire Collecteur Agréé AGEFOS PME*) and Albioma's four thermal subsidiaries, signed in December 2013.

The Almar training plan combines periods of practical training at the Group's thermal power plants under the responsibility of Albioma employees designated as tutors with theoretical training at the AFPA campus in Lardy (Essonne). 16 young people (eight from Martinique, four from Guadeloupe and four from Reunion Island) will begin the 14-month course in May 2014, with the objective of qualifying as thermal power plant maintenance technicians.

Local sponsorship actions

The Albioma subsidiaries organise local sponsorship actions every year. The Group sponsors sports teams in several territories (rugby on Reunion Island, football in Martinique, etc.).

In euros	2013	2012
Financial contributions for sponsorship initiatives	42,500	29,500

6.4.3. SUBCONTRACTING AND SUPPLIERS

6.4.3.1. Inclusion of social and environmental issues in the purchasing policy

New general terms and conditions of purchase were drawn up for the Group in 2013 and came into effect on 1 January 2014. They contain a clause on social and environmental responsibility, setting out the Group's commitments and requirements. They will be sent out to all Group suppliers over 2014.

In addition, purchases of imported fossil fuels, which represent a substantial proportion of Group purchases, are sourced from recognised quality suppliers (EDF Trading, ATIC Services) who in turn procure materials from producers who observe good practices in terms of social and environmental responsibility. The certified thermal plants also conduct annual assessments of their strategic suppliers, which include health, safety and environmental criteria.

6.4.3.2. Importance of subcontracting and consideration of subcontractors' and suppliers' social and environmental responsibility

Importance of subcontracting

Albioma works with subcontractors when the necessary expertise is not available in-house, and during busy periods due to maintenance shut-downs. The Group uses local subcontractors whenever possible, and supports up-skilling initiatives as necessary.

6.5. Report by the Statutory Auditors, appointed as independent third parties, on the consolidated employment, environmental and social information presented in the Management Report

Subcontracting costs fell in 2013 compared to 2012, although subcontracting costs as a percentage of operating costs rose.

	2013	2012
Subcontracting costs (in thousands of euros)	34,811	37,426
Subcontracting costs as a percentage of operating costs	10.2%	9.2%

Consideration of subcontractors in the Group's health and safety policy

The Safety Charter introduced by Albioma in 2013 contains safety-related commitments applying to Group employees and also to subcontractors working on Group sites (for further information, see section 6.2.4.1, page 166 of this Registration Document).

Any accident on an Albioma site is of great concern to the Group, whether the victim is a Group employee or employed by a subcontractor. In 2013 an analysis of the causes of two accidents involving individuals employed by subcontractors was presented to the Social and Environmental Responsibility Committee.

6.4.4. FAIR PRACTICE

6.4.4.1. Anti-corruption measures

Albioma's business practices are designed to prevent corruption-related risks. In 2013, as in previous years, the Group did not encounter any corruption-related incidents.

6.4.4.2. Consumer health and safety measures

The approval and operating licence application procedures for environmentally-classified facilities, such as the Group's thermal power plants and some of its anaerobic digestion units, include "health impact" aspects. Albioma fully complies with these criteria.

6.4.4.3. Other actions to uphold human rights

As indicated in section 6.2.7, page 167 of this Registration Document, Albioma complies with the Fundamental Conventions of the International Labour Organization and respects human rights.

6.5. Report by the Statutory Auditors, appointed as independent third parties, on the consolidated employment, environmental and social information presented in the Management Report

PricewaterhouseCoopers Audit

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This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

FOR THE YEAR ENDED DECEMBER 31, 2013

To the Shareholders,

In our capacity as Statutory Auditors of Albioma, appointed as an independent third party, whose certification requests have been approved by the French National Accreditation Body (COFRAC), we hereby report to you on the consolidated environmental, labour and social information for the year ended December 31, 2013, presented in the management report (hereinafter the "CSR Information"), in accordance with Article L.225-102-1 of the French Commercial Code (*Code de commerce*).

Responsibility of the company

The 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 protocol used by the Company (hereinafter the "Guidelines"), summarised in the Management Report and available on request from the Company's head office.

Independence and quality control

Our independence is defined by regulatory texts, the French code of ethics governing the audit profession and the provisions of Article L.822-11 of the French Commercial Code. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with the codes of ethics, professional auditing standards and applicable legal and regulatory texts.

Responsibility of the Statutory Auditors

On the basis of our work, it is our responsibility to:

- 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 (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 to eight people between December 2013 and March 2014 and took around 13 weeks. We were assisted in our work by our specialists in corporate social responsibility.

We performed our work in accordance with the professional auditing standards applicable in France, with the decree of 13 May 2013 determining the conditions in which the independent third party performs its engagement and for the reasoned opinion on fairness, with ISAE 3000¹.

1. Statement of completeness of CSR Information

We conducted interviews with the relevant heads of department to familiarise ourselves with sustainable development policy, according to the impact of the Company's activity on labour and the environment, of its social commitments and any action or programmes related thereto.

1. ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information

6 • CORPORATE SOCIAL RESPONSIBILITY INFORMATION

6.5. Report by the Statutory Auditors, appointed as independent third parties, on the consolidated employment, environmental and social information presented in the Management Report

We compared the CSR Information presented in the Management Report with the list provided for by Article R.225-105-1 of the French Commercial Code.

For any consolidated information that was not disclosed, we verified that the explanations provided complied with the provisions of Article R.225-105, paragraph 3 of the French Commercial Code.

We ensured that the CSR Information covers the scope of consolidation, i.e., the Company, its subsidiaries as defined by Article L.233-1 and the entities it controls as defined by Article L.233-3 of the French Commercial Code within the limitations set out in the methodological information presented in the Management Report under the heading "Reporting and consolidation methodology for employment, environmental and social information".

Based on this work and given the limitations mentioned above, we attest to the completeness of the required CSR Information in the Management Report.

2. Reasoned opinion on the fairness of the CSR Information

Nature and scope of our work

We conducted around ten interviews with people responsible for preparing the CSR Information in the departments charged with collecting the information and, where appropriate, the people responsible for the internal control and risk management procedures, in order to:

- assess the suitability of the Guidelines in the light of their relevance, completeness, reliability, impartiality and comprehensibility, and taking good market practice into account when necessary;
- verify the implementation of a data-collection, compilation, processing and control procedure that is designed to produce CSR Information that is exhaustive and consistent, and familiarise ourselves with the internal control and risk management procedures involved in preparing the CSR Information.

We determined the nature and scope of our tests and controls according to the nature and importance of the CSR Information in the light of the nature of the Company, the social and environmental challenges of its activities, its sustainable development policy and good market practice.

With regard to the CSR Information that we considered to be the most important¹:

- at parent and entity level, we consulted documentary sources and conducted interviews to substantiate the qualitative information (organisation, policy, action), we followed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data and we verified their consistency and concordance with the other information in the Management Report;
- at the level of a representative sample of entities selected by us² 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 36% of headcount and between 10% and 40% of quantitative environmental data.

For the other consolidated CSR information, we assessed consistency based on our understanding of the Company.

We also assessed the relevance of explanations given for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes used, based on our professional judgement, 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.

1. Qualitative and quantitative information are detailed in appendix.

2. Selected entities are: Albioma Caraïbes, Albioma Le Moule, Solaire Océan Indien, Methaneo (employment information only).

Signed in Neuilly-sur-Seine and Courbevois, 7 April 2014

Statutory Auditors

Mazars

Emmanuelle Rigaudias
Partner

In charge of the Sustainable
Development Department

Manuela Baudoin-Revert
Partner

PricewaterhouseCoopers Audit

Sylvain Lambert
Partner

In charge of the Sustainable
Development Department

Jean-Christophe Georghiou
Partner

6.5. Report by the Statutory Auditors, appointed as independent third parties, on the consolidated employment, environmental and social information presented in the Management Report

Appendix – CSR information considered to be the most important

Quantitative employment information

- Total workforce and breakdown according to gender
- Breakdown of recruitments according to type of contract
- Percentage of interns, trainees and apprentices
- Number of departures
- Gross average monthly salary
- Number of hours worked
- Number of hours of overtime
- Absenteeism rate
- Review of collective bargaining agreements
- Frequency rate [of accidents]
- Severity rate [of accidents]
- Average number of hours of training per employee
- Average number of hours of training on safety issues per employee

Qualitative employment information

- Organisation of labour-management dialogue, including procedures for informing, consulting and negotiating with employees

Quantitative environmental information

- SO_x, NO_x and particulate emissions
- Quantity of combustion by-products generated
- Water intensity of power generation activity
- Consumption of energy raw materials (bagasse, coal and oil)
- Electricity yield per ton of sugarcane
- Renewable energy as a percentage of total power output
- Carbon intensity of the electricity and steam production activity

Qualitative environmental information

- General environmental policy
- 2014-2018 programme to optimise combustion by-product recovery

Quantitative information on sustainable development commitments

- Availability rates of thermal installations

Qualitative information on sustainable development commitments

- Territorial, economic and employment impact of the company's business in terms of employment and local development
- Consideration of subcontractors in the Group's health and safety policy

Albioma is broadening its virtuous approach of energy recovery from biomass with its Anaerobic Digestion business. In a full year, Tiper Méthanisation will produce 16 GWh of electrical energy and 40,000 tonnes of anaerobic digestate, used as an alternative to manure.

*Biogas storage vault
at Tiper Méthanisation, Deux-Sèvres*

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7.1. Company information

7.1. Company information

7.1.1. IDENTIFICATION DETAILS

7.1.1.1. Name

The Company has been called Albioma since the Ordinary and Extraordinary General Meeting of 30 May 2013, at which the shareholders resolved to change the Company's name. Prior to this meeting, the Company was called Séchillienne-Sidec.

7.1.1.2. Legal form

Albioma is a French limited company incorporated as a société anonyme governed by a Board of Directors.

7.1.1.3. Legislation applicable to the issuer

Albioma is governed by French law.

7.1.1.4. Trade and companies register

The Company is registered in the Nanterre Trade and Companies Register under number 775 667 538 (APE Code: 7010 Z).

7.1.1.5. Date of incorporation and duration of the Company (Article 6 of the Articles of Association)

"The Company's duration (initially fixed at 30 years, extended until 31 December 1949 and then until 31 December 2039) has been further extended for an additional period of 60 years pursuant to a resolution adopted at the Extraordinary General Meeting of 16 June 2009 and accordingly, the Company will cease to exist on 31 December 2099 save in the event of early dissolution or further extension."

7.1.1.6. Company's objects (Article 3 of the Articles of Association)

The Company's objects are:

- *design, construction, financing, provisioning, operation and sale, directly or indirectly, of facilities that recover and/or use any form of fossil energy or renewable energy, and all electrometallurgical, electronic, electro-chemical, chemical, gas, metallurgical, electrical, thermal, hydraulic, handling or driving products and equipment;*
- *the direct or indirect investment in any French or foreign undertakings or companies, whether existing or to be created, whose objects are likely to facilitate the achievement of the Company's objects or be connected to its objects or similar or related objects, and the management of any such undertakings or companies;*
- *and, more generally, all industrial or commercial transactions and all transactions involving personal property or real property that are directly or indirectly related to the foregoing and/or that might be useful to the Company's objects or facilitate the achievement or development thereof.*

7.1.1.7. Registered office

On 31 December 2013, the Company's registered office was located at Immeuble Le Monge, 22 place des Vosges, La Défense 5, 92400 Courbevoie, France.

Pursuant to a decision taken by the Chairman and Chief Executive Officer on 24 February 2014, acting within the scope of the powers delegated to him by the Board of Directors at its meeting of 17 December 2013, the Company's registered office has been transferred to Tour Opus 12, 77 esplanade du Général de Gaulle, 92081 Paris La Défense. Article 4 of the Memorandum and Articles of Association has been amended accordingly. This decision will be submitted to the Ordinary and Extraordinary General Meeting of 27 May 2014 for ratification (please refer to the information set out in the Board of Directors' report for the General Meeting which can be found in section 8.2, page 204 of this Registration Document).

7.1.1.8. Financial year

The Company's financial year commences on 1 January and ends on 31 December of each year.

7.1.1.9. Consultation of Company documents

The Memorandum and Articles of Association, Company and consolidated financial statements, reports and shareholder information can be consulted at the Company's registered office, at Tour Opus 12, 77 esplanade du Général de Gaulle, 92081 Paris La Défense, during office hours (postal address: Tour Opus 12, La Défense 9, 77 esplanade du Général de Gaulle, 92914 La Défense Cedex). Most of these documents can also be viewed, free of charge, on the Company's website (www.albioma.com).

7.1.2. INCORPORATING DOCUMENTS AND MEMORANDUM AND ARTICLES OF ASSOCIATION

A full version of the Company's Memorandum and Articles of Association can be found on the Company's website (www.albioma.com).

7.1.2.1. Amendments to the Memorandum and Articles of Association put to the Ordinary and Extraordinary General Meeting of 27 May 2014

The following proposed amendments to the Memorandum and Articles of Association will be put to the Ordinary and Extraordinary General Meeting of 27 May 2014 (please refer to the information set out in the Board of Directors' report for the General Meeting which can be found in section 8.2, page 204 of this Registration Document):

- amendment to Article 32 of the Memorandum and Articles of Association relating to the organisation of General Meetings (ensuring compliance with the provisions of Article R. 225-83 of the Commercial Code on the proof of shareholder status required to allow shareholders to take part in General Meetings and giving shareholders the opportunity to take part in General Meetings using telecommunications);
- amendment to Article 38 of the Memorandum and Articles of Association relating to the powers of Ordinary General Meetings (removal of the General Meeting's power to decide bond issues).

Moreover, the Ordinary and Extraordinary General Meeting of 27 May 2014 has also been invited to ratify the Board of Directors' decision, implemented by the Chairman and Chief Executive Officer, to transfer the registered office (please refer to the information set out in section 7.1.1.6, page 178 of this Registration Document).

7.1.2.2. Administration and General Management (Articles 19 to 29 of the Memorandum and Articles of Association)

Article 19 of the Memorandum and Articles of Association

"Governance of the Company shall be entrusted to a Board composed of at least three members and no more than twelve members, appointed by the shareholders at General Meetings."

The term of office of each member of the Board of Directors shall be four years, where one year corresponds to the period from one Annual General Meeting to the next.

Outgoing directors may be reappointed.

In the event a seat on the Board becomes vacant between two General Meetings due to resignation or death, the Board shall be entitled to make a provisional appointment for the remainder of the term of office of the replaced director, with a view to maintaining the same number of Board members.

The shareholders shall make a final appointment at the next Ordinary General Meeting. However, if the number of Board members falls below the statutory minimum of three, the Board or –failing that– the Statutory Auditors, shall immediately convene a General Meeting to make up the numbers. Any interested party may do the same, in accordance with the terms and conditions laid down by law.

In the event any appointments made by the Board of Directors are not subsequently ratified by the shareholders, all the Board's decisions and actions shall nevertheless remain valid.

No more than one third of the total number of directors in office may be aged over 70. Whenever this maximum is exceeded, the oldest director who has not held or does not hold office as Chairman or who has not held office as Chief Executive Officer of the Company will stand down at the next General Meeting, unless compliance with the aforementioned proportion has been established as a result of a decision of the Board pursuant to this Article."

Article 20 of the Memorandum and Articles of Association

"The directors must each hold four hundred (400) registered shares throughout their term of office.

In the event a director does not hold the aforementioned number of shares at the time of his appointment or ceases to hold the aforementioned number at any time during his office, he will be deemed to have automatically resigned unless he remedies the situation within a six (6) month period."

Article 21 of the Memorandum and Articles of Association

"By way of remuneration for their duties, the directors shall receive directors' fees, the amount of which will be set by the shareholders at General Meetings, as well as a share of the profits in accordance with Article 45."

Article 22 of the Memorandum and Articles of Association

"The Board shall appoint one of its members as Chairman, who must have French nationality or be a citizen of a member state of the European Economic Area, and, if need be, shall determine his remuneration. The Chairman shall be appointed for a term of office that may not exceed his term of office as a director. The Board shall appoint a secretary, who may but need not be a Board member.

The Chairman represents the Board of Directors. He organises and oversees its work, and reports thereon to the General Meeting. He ensures the Company's bodies operate properly and, more specifically, that the directors are in a position to perform their duties.

In the event the Chairman reaches the age of 65 during his term of office, he will remain in office until expiry of his term of office. The Board of Directors may then reappoint him as Chairman once or more than once, provided the total term does not exceed the term of a directorship.

The Board may elect a Deputy Chairman from its members. In the event the Chairman is absent or unable to act, the Deputy Chairman appointed by the Board will chair the meeting. If both are absent, the Board shall appoint one of its members to chair the meeting.

The Board of Directors shall meet whenever a meeting is called by the Chairman or half of the members of the Board, and as frequently as the Company's interests dictate, either at the registered office or at any other venues stated in the notice of meeting.

However, if a Board meeting has not been held for more than two months at least one third of the directors may call a meeting, stating the agenda. The Chief Executive Officer may also ask the Chairman to call a meeting of the Board of Directors to consider a specific agenda.

Notice of meetings shall be given by any means, including by word-of-mouth.

In accordance with the legal and regulatory provisions and the Internal Regulations adopted by the Board of Directors, and within the limits provided thereby, directors who attend meetings of the Board of Directors using videoconferencing or telephone conferencing facilities that allow them to be identified and guarantee their effective participation shall be deemed present when calculating the quorum and majority. However, such methods may not be used when adopting the annual financial statements and the management report or when adopting the consolidated financial statements and the Group management report.

Any director may be represented by another director at any given meeting. A proxy may be appointed by means of an ordinary letter or even by telegram. A director may only represent one other director at a given meeting. The presence of at least half of the directors in office is necessary for the Board to validly transact business. Decisions shall be taken by a majority of the votes of the members present or represented, and any director who represents another director shall hold two votes. In the event of a tie, the chairman of the meeting shall have a casting vote."

Article 23 of the Memorandum and Articles of Association

"Decisions shall be recorded in minutes kept in a special minute book as required by law, and signed by the chairman of the meeting and at least one director. In the event the chairman of the meeting is unable to sign, the minutes shall be signed by at least two directors.

The minutes shall be drawn up in accordance with the law.

Copies of or excerpts from the minutes required as evidence in court, or for any other reason, shall be validly certified by the Chairman of the Board of Directors, the Chief Executive Officer, a director temporarily acting as chairman or any person specifically authorised for that purpose by the Board of Directors.

Production of a copy of or excerpt from the minutes of a meeting shall be sufficient proof of the number of directors in office and the number present or represented at the meeting.

An excerpt from minutes recording a grant of authority by the Board shall be sufficient evidence of the existence of such authority."

Article 24 of the Memorandum and Articles of Association

"The Board of Directors shall define the Company's business policies and supervise their implementation. Subject to the powers expressly granted to shareholders at General Meetings and to the scope of the Company's objects, it shall deal with all issues affecting the proper running of the Company and settle all matters concerning the Company in the course of its meetings. It shall define the Company's strategic policies, and its prior authorisation shall be required for any material transaction that falls outside the scope of the announced business strategy, including major organic growth investments, internal restructuring operations or external acquisitions or sales.

The Board of Directors shall carry out all the checks and controls it considers appropriate. It shall review the Company's financial position, cash flow situation and commitments on a regular basis."

Article 25 of the Memorandum and Articles of Association

Choice between two methods of General Management

In accordance with Article L. 225-51-1 of the Commercial Code, the Company's General Management shall be the responsibility of either the Chairman of the Board of Directors or of another natural person appointed by the Board of Directors with the title of Chief Executive Officer.

The Board of Directors shall decide which method of General Management shall apply. The Board's decision concerning the choice of method of General Management must be approved by the majority of directors present or represented at the meeting. Shareholders and third parties shall be informed of the Board of Directors' decision in accordance with the terms and conditions laid down in the applicable regulations.

A change in the method of General Management shall not require the amendment of the Memorandum and Articles of Association."

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General Management

"The Chairman or the Chief Executive Officer shall be responsible for the Company's General Management, depending on the method of management chosen by the Board of Directors.

The Chief Executive Officer shall be appointed by the Board of Directors, which shall also determine his term of office, his remuneration, if applicable, and any limitations placed on his authority, if appropriate.

He must be aged under 70 in order to hold office. In the event he reaches this age limit when in office, the Chief Executive Officer shall be automatically deemed to have resigned and a new Chief Executive Officer shall be appointed.

The Chief Executive Officer may be removed from office at any time by the Board of Directors. A Chief Executive Officer who is not also Chairman may claim compensation if he is removed from office without just cause."

Powers of the Chief Executive Officer

"The Chief Executive Officer shall be vested with the broadest powers to act in all circumstances in the name of the Company. He shall exercise these powers within the limits of the Company's objects and subject to any powers expressly granted by law to the shareholders and the Board of Directors.

He shall represent the Company in dealings with third parties. The Company shall be committed by any actions or decisions of the Chief Executive Officer that do not fall within the scope of the Company's objects, unless the Company can prove that the third party was aware that the action or decision in question fell outside the scope of the objects or could not have been unaware thereof, in view of the circumstances. However, mere publication of the Memorandum and Articles of Association is not sufficient proof thereof."

Deputy Chief Executive Officers

"Following a proposal by the Chief Executive Officer, irrespective of whether this office is held by the Chairman of the Board of Directors or by any other person, the Board of Directors may appoint one or more natural persons to assist the Chief Executive Officer, with the title of Deputy Chief Executive Officer.

The Board of Directors shall determine, in conjunction with the Chief Executive Officer, the scope and period of validity of the powers granted to the Deputy Chief Executive Officers, and shall set their remuneration, if applicable.

The Deputy Chief Executive Officer or Officers shall have the same powers as the Chief Executive Officer with regard to third parties.

In the event the Chief Executive Officer no longer holds office or is unable to act, the Deputy Chief Executive Officers shall remain in office with the same powers and responsibilities until a new Chief Executive Officer is appointed, subject to any decision to the contrary by the Board of Directors.

Deputy Chief Executive Officers may be removed from office at any time by the Board of Directors, on the basis of a proposal by the Chief Executive Officer. Deputy Chief Executive Officers may claim compensation if they are removed from office without just cause."

Article 26 of the Memorandum and Articles of Association

"The Board of Directors may create committees comprised of directors, or managers, or of both directors and managers of the Company. Members of the Committees shall be responsible for reviewing any matters referred to them by the Board or its Chairman."

Article 27 of the Memorandum and Articles of Association

"Subject to the Chairman's consent, the Board of Directors may enter into agreements with any senior managers, defining the term of their appointments, the scope of their powers and responsibilities, retirement provisions and terms and conditions relating to their removal from office.

Lastly, the Board of Directors may grant powers to any person of its choice pursuant to a special power of attorney for one or more specific purposes."

Article 28 of the Memorandum and Articles of Association

"Any agreement entered into directly or via an intermediary between the Company and one of its directors, its Chief Executive Officer, one of its Deputy Chief Executive Officers, one of its shareholders holding more than 10% of the voting rights or, if the shareholder is a company, the company controlling it within the meaning of Article L. 233-3 of the Commercial Code, shall require the prior authorisation of the Board of Directors under the terms and conditions laid down by law.

This shall also apply to any agreements in which any of the persons referred to in the previous paragraph have an indirect interest.

Any agreements entered into, directly or via an intermediary, between the Company and any company or undertaking when one of the directors, the Chief Executive Officer or one of the Deputy Chief Executive Officers of the Company is an owner, partner with unlimited liability, manager, director, member of the supervisory board or, more generally, senior executive of such company or business shall also require prior authorisation.

The Chairman of the Board of Directors shall inform the Statutory Auditors of all authorised agreements, as the Statutory Auditors are required to present a special report on such agreements to the shareholders at General Meetings. The shareholders shall vote on the report in accordance with the terms and conditions laid down by law.

The foregoing provisions shall not apply to agreements relating to everyday operations and entered into at arm's-length. However, the interested party shall inform the Chairman of the Board of Directors of any such agreement, unless it is not material for any of the parties thereto, in view of its purpose or financial implications, and the Chairman of the Board of Directors shall inform the directors and the Statutory Auditors of all such agreements and their purpose. Any shareholder may ask to receive a copy of any such agreement."

Article 29 of the Memorandum and Articles of Association

"The Chairman and the members of the Board of Directors shall be responsible and liable for the performance of their duties in accordance with the terms and conditions laid down in the applicable laws."

7.1.2.3. Rights, benefits and restrictions attached to shares (Articles 9 to 12, 14 to 18, 37 and 45 of the Memorandum and Articles of Association)

Article 9 of the Memorandum and Articles of Association

"At least one quarter of the par value of each share is payable at the time of subscription plus the issue premium, if any, in full, and the balance is payable on the dates set by the Board of Directors, and within a maximum time period of five years.

In the event of a public offering and if the capital increase is completed solely as a result of implementation of the performance bond signed in accordance with the terms and conditions laid down by law, the part of the par value that is due and, if applicable, the full amount of the issue premium, must be paid no later than 35 days after the end of the subscription period.

All shares that have not been fully paid up shall be registered shares until they are paid up in full.

Shareholders shall be informed of all calls for payments on shares that have not been fully paid up by means of a notice published in an official gazette for legal notices for the area in which the registered office is located, fifteen days before the date set for payment.

Shareholders, intermediary transferees and subscribers shall be jointly and severally liable for the payment of the price of a share."

Article 10 of the Memorandum and Articles of Association

"Interest shall be automatically payable to the Company at the official rate on any late payments, with effect from the due date and without the need for any application to the courts.

In the event any payment after the first payment is not made on the due date, the Company shall be entitled to arrange for the sale, in accordance with the terms and conditions laid down by law, of the shares for which payment of the amounts due has not been received, one month after it has sent a formal demand for payment to the defaulting shareholder by recorded delivery with proof of delivery. The Company shall be entitled to sell the shares on the market on the defaulting shareholder's behalf and at his risk, without any need for a court order, using the services of a brokerage firm.

On expiry of a period of thirty clear days from the aforementioned formal demand, shares for which any amount due is still outstanding shall no longer entitle their holder to attend meetings of shareholders and take part in the voting, and shall not be counted when calculating the quorum.

Rights to dividends and preferential subscription rights in the event of a capital increase attached to such shares shall be suspended. After payment of all sums due in principal plus interest, the shareholder may request payment of any dividends that have not lapsed in the meantime. The shareholder may not take any action with regard to preferential subscription rights in the event of a capital increase if the time period set for exercising such rights has expired.

The net proceeds from the sale of such shares shall be offset against the amount owed to the Company by the expropriated shareholder, in accordance with the law, and the remaining balance shall be owed by or to the shareholder, as the case may be.

The Company shall also be entitled to take legal action personally and under ordinary law against the shareholder and his guarantors, either before, after or at the same time as the sale of the shares."

Article 11 of the Memorandum and Articles of Association

"Shares that have not been fully paid up shall be registered in an account as registered shares until full payment of the price.

Each payment made on shares subscribed shall be recorded in an account opened in the name of the subscriber."

Article 12 of the Memorandum and Articles of Association

"Shares that have been fully paid up shall be registered in an account as registered shares or bearer shares, as the shareholder wishes.

Share transfers, irrespective of their form, shall be made by an account-to-account transfer in accordance with the terms and conditions laid down in the applicable laws and regulations."

Article 14 of the Memorandum and Articles of Association

"Subject to any rights granted to preference shares, if any are issued, each share shall entitle its holder to a fraction of the corporate assets proportionate to the amount of capital it represents.

It shall also entitle its holder to a share of the profits, as provided in Articles 45 and 48 hereof.

During the Company's existence and at the time of its liquidation, each share shall entitle its holder to receive an identical net amount in any allocation or redemption; this means that, when necessary, all the shares shall be grouped together and treated identically for the purposes of any tax exemptions or taxes levied in respect of such allocation or repayment to be borne by the Company, while taking into consideration, if applicable, the amount of any redeemed or non-redeemed capital, the par value of the shares and the rights attached to shares of different classes."

Article 15 of the Memorandum and Articles of Association

"Shareholders shall only be committed for up to the amount of the capital represented by each share. Any call for payment over and above such amount is prohibited."

Article 16 of the Memorandum and Articles of Association

"All shares are indivisible with regard to the Company. Joint shareholders must be represented by one single person in all dealings with the Company."

Article 17 of the Memorandum and Articles of Association

"Ownership of a single share shall entail acceptance of the Company's Memorandum and Articles of Association and of all the resolutions adopted by the shareholders at General Meetings.

Whenever several shares need to be held in order to exercise a specific right, in particular for the purpose of the exchange or allocation of shares in the course of a capital reduction, capital increase through the capitalisation of reserves, merger or any other transaction, single shares or an insufficient number of shares shall not give their holders any rights with regard to the Company. The shareholders must personally arrange to group together or to purchase or sell the requisite number of shares or voting rights."

Article 18 of the Memorandum and Articles of Association

"A shareholder's heirs or creditors shall not be entitled to request that the Company's assets and property be placed under seal or to request the division or sale by auction thereof, or interfere in any way in the management of the Company, on any grounds whatsoever.

When exercising their rights they should refer to the corporate statements of assets and liabilities, and the resolutions adopted by shareholders at General Meetings."

Article 37 of the Memorandum and Articles of Association

"At General Meetings the quorum shall be calculated on the basis of all the shares comprising the share capital, with the exception of those that have been stripped of voting rights pursuant to the laws or regulations, and each shareholder shall have as many votes as the number of shares he holds or represents provided all amounts due thereon have been paid, subject only to the restrictions provided in the applicable legislation."

Article 45 of the Memorandum and Articles of Association

I. "The Company's net revenue, recorded in the annual statement of assets and liabilities, less overheads and other expenditure incurred by the Company, including all depreciation and provisions, shall constitute net profit.

Firstly, at least five per cent of the profit, less, where applicable, any losses carried forward, shall be deducted to form the reserve fund prescribed by law. This deduction shall cease to be compulsory when the reserve fund reaches one tenth of the share capital and resume if the reserve falls below this amount.

The distributable profit is comprised of the net profit of the financial year, less any losses carried forward together with any amounts to be posted to reserves pursuant to the law, plus any retained earnings.

The amount needed to pay shareholders, by way of an initial dividend, six per cent of the amounts paid-up on their shares that have not been redeemed and six per cent of the amounts, where applicable, of premiums on shares issued for cash recorded in an "additional paid-in capital" account shall be deducted from the distributable profit. The shareholders are not entitled to claim these amounts from the profit of subsequent years if the profit of a given year does not permit such payment.

From the available surplus, the General Meeting may, at the proposal of the Board of Directors, appropriate a portion of said distributable profit that it will advise for the creation of contingency funds and general or special reserves, of any type whatsoever or even simply as retained earnings.

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The balance constitutes a mass that is split between the shares, in proportion to the respective portion of the capital that they represent.

Moreover, the General Meeting may decide to distribute amounts deducted from the reserves available to it. In such a case, the resolution adopted must expressly indicate the reserve accounts from which the amounts are to be deducted.

Save in the event of a capital reduction, no dividend may be paid to shareholders if the Company's net assets are lower than the amount of the Company's capital plus the reserves that cannot be distributed pursuant to the law or the Memorandum and Articles of Association or if the Company's net assets would fall below said amount following the distribution of such dividend.

If the Extraordinary General Meeting decides to redeem shares, this transaction must be carried out in accordance with the procedures and provisions prescribed by law. Once the capital shares have been fully redeemed, they will be replaced by dividend shares and the holders of these shares will have all of the rights attached to non-redeemed shares of the same type as regards their entitlement to a share of the profit and the Company's assets and their right to vote at General Meetings other than the right to the initial 6% dividend provided for above and repayment in the event of the Company's liquidation."

II. "Any shareholder who can prove, at the end of a financial year, that he has held registered shares for at least two years and still holds them on the date of payment of the dividend for the financial year will be entitled to an increased dividend on such registered shares corresponding to 10% of the dividend paid on other shares, including when the dividend is paid in the form of new shares. The increased dividend will be rounded down to the next cent if need be.

Similarly, any shareholder who can prove, at the end of a financial year, that he has held registered shares for at least two years and still holds them on the date of completion of a capital increase by the capitalisation of reserves, profit or premiums resulting in a distribution of bonus shares will be entitled to an increase in the bonus shares allocated to such shareholder corresponding to 10%, rounded down to the next lowest whole number of shares if need be.

The number of shares held by any given shareholder that are eligible for such measures may not exceed 0.5% of the share capital.

The provisions of this paragraph 2 will apply for the first time to the payment of dividends for the financial year ended 31 December 2015, resolved by the shareholders at the General Meeting to be held in 2016."

7.1.2.4. Amendment to shareholder rights (Article 39 of the Memorandum and Articles of Association)

Please refer to section 7.1.2.5, page 182 of this Registration Document.

7.1.2.5. General Meetings (Articles 31 to 42 of the Memorandum and Articles of Association)

Article 31 of the Memorandum and Articles of Association

"A General Meeting shall be held once a year within the first half of the year, although this time period may be extended by court order.

General Meetings held in special session may also be called whenever the Board considers this appropriate.

A General Meeting may also be called, where necessary, by the persons allowed to do so by law.

General Meetings shall be convened in accordance with the terms and conditions laid down by law.

A notice of the meeting shall be published in the official gazette of statutory legal notices (Bulletin des Annonces Légales Obligatoires - BALO), at least 35 days before the date of the General Meeting. The notice shall contain all the information required by law.

Requests to add draft resolutions to the agenda may be submitted between the date of publication of the notice in the BALO and the 25th day before the date of the General Meeting, but cannot be submitted more than 20 days after the date of publication of the notice in the BALO.

A notice of the meeting shall be published in a gazette authorised to publish legal notices in the département in which the registered office is located and, if the Company shares are admitted to trading on a regulated market or if some of the shares are not registered shares, in the official gazette of statutory legal notices (Bulletin des annonces légales obligatoires - BALO), at least 15 days before the date of the General Meeting when convened the first time, or at least 10 days before the date of the General Meeting if it has been convened a second time.

Notices of meetings shall include all the information required by the law and regulations.

Beneficial owners of shares shall be invited to attend both Ordinary and Extraordinary General Meetings."

Article 32 of the Memorandum and Articles of Association

"A General Meeting shall comprise all the shareholders, irrespective of the number of shares they hold, provided all amounts due thereon have been fully paid up and also provided they have not been stripped of their voting rights.

Only the following shall be entitled to attend General Meetings:

- holders of registered shares that were recorded in an account at least three business days before the scheduled date of the meeting.
- holders of bearer shares who have produced proof, at least three business days before the meeting, that their shares have been registered in an account and will be locked in until the date of the General Meeting.

Holders of registered or bearer shares must also submit a proxy form or postal voting form, or the single document combining both of these, three days before the date of the meeting, or, if decided by the Board of Directors, a request for an admission pass.

Any shareholder may be represented at a General Meeting by another shareholder or his/her spouse or civil partner (under a pacte civil de solidarité). Shareholders may also be represented by any other natural person or legal entity of their choice, in accordance with Article L. 225-106 of the Commercial Code:

- when the Company's shares have been admitted to listing on a regulated market;
- when the Company's shares have been admitted to listing on a multi-lateral trading facility that is subject to laws or regulations protecting investors against insider dealing, price manipulation and the circulation of incorrect information in line with the conditions provided by the AMF's General Regulation, and that is named on the list issued by the AMF in the conditions laid down in its General Regulation.

The power of attorney and, if applicable, notice of its withdrawal, must be provided in writing to the Company in accordance with the terms and conditions laid down by law.

Shareholders that are legal entities may be represented at any General Meeting by one of their partners, directors or employees, who may but need not be a shareholder in a personal capacity, provided they can produce proof of their office or position.

Joint shareholders shall be represented at General Meetings by one of them, or by a single representative. In the event of any disagreement, the representative shall be appointed by the court following an application by the first joint shareholder to act.

The voting rights attached to a share shall belong to the beneficial owner at both Ordinary General Meetings and Extraordinary General Meetings.

Whenever a shareholder submits a form of proxy without designating the proxy holder, the Chairman of the General Meeting shall vote in favour of all resolutions presented or approved by the Board of Directors, and against all other resolutions. In order to vote differently, the shareholder must designate a proxy holder who must agree to vote in the manner stated on the form of proxy.

A form of proxy and a postal voting form, or the single combined document, must be enclosed with all the other documents required by law. Any shareholder may vote by post, in accordance with the terms and conditions laid down in the applicable laws and regulations, provided the requisite form is deposited with or received by the Company at its registered office no later than six days before the meeting.

In the event the Company receives a form of proxy and a postal voting form for the same shareholder, in breach of the rules, the form of proxy will be used, subject to the votes recorded on the postal voting form.

In the event a shareholder attends a meeting in person, his form of proxy or postal voting form shall be cancelled, provided the shareholder has expressly requested an admission pass at least three business days before the date of the meeting, if this is required by the Board of Directors."

Article 33 of the Memorandum and Articles of Association

"General Meetings that have been duly and properly convened and formed shall represent all the shareholders."

Article 34 of the Memorandum and Articles of Association

"General Meetings shall be chaired by the Chairman of the Board of Directors or, if he is unable to do so, by the Deputy Chairman if there is one; failing that, the meeting shall be chaired by a director designated by the Board, if the meeting has been called by the Board.

The two shareholders holding the largest number of shares, both personally and as representatives, who are present and accept such duties shall act as scrutineers.

The officers of the meeting shall designate a secretary, who may but need not be a member of the General Meeting.

An attendance sheet shall be drawn up, which shall contain the information required by law. The sheet shall be initialled by the shareholders present and all representatives and shall be certified accurate by the officers of the General Meeting; it shall be kept at the registered office and must be produced whenever requested."

Article 35 of the Memorandum and Articles of Association

"The agenda of the General Meeting shall be determined by the person convening the meeting.

However, one or more shareholders representing at least the proportion of the capital provided by the laws and regulations may request the addition of draft resolutions to the agenda. So that they can exercise this right, shareholders must be provided with the necessary information in accordance with the procedures and within the time period laid down by law.

Only items appearing on the agenda may be discussed at General Meetings. However, shareholders may remove one or several directors from office at any General Meeting and replace them."

Article 36 of the Memorandum and Articles of Association

"Ordinary General Meetings shall only validly transact business when called the first time if the shareholders present or represented hold at least one fifth of the shares with voting rights. When the meeting is called a second time, no quorum requirements shall apply.

Annual Ordinary General Meetings and Ordinary General Meetings held in special session shall adopt resolutions by a majority of the votes held by the shareholders present or represented.

Unless the law provides otherwise, Extraordinary General Meetings shall only validly transact business if the shareholders present or represented hold at least one quarter of the shares with voting rights when the meeting is called the first time, and at least one fifth of the shares with voting rights when the meeting is called a second time. Failing that, the meeting can be postponed to a later date, provided this is no more than two months after the date scheduled when called a second time.

Extraordinary General Meetings shall adopt resolutions by a majority of two thirds of the votes held by the shareholders present or represented, unless the law provides otherwise.

Special meetings shall only validly transact business if the shareholders present or represented hold at least one third of the shares with voting rights whose rights are to be modified at the meeting when the meeting is called the first time, and one fifth of such shares when the meeting is called a second time. Failing that, the meeting can be postponed to a later date, provided this is no more than two months after the date scheduled when called a second time.

Special meetings shall adopt resolutions subject to the same terms and conditions as Extraordinary General Meetings."

Article 37 of the Memorandum and Articles of Association

"At General Meetings the quorum shall be calculated on the basis of all the shares comprising the share capital, with the exception of those that have been stripped of voting rights pursuant to the laws or regulations, and each shareholder shall have as many votes as the number of shares he holds or represents provided all amounts due thereon have been paid, subject only to the restrictions provided in the applicable legislation."

Article 38 of the Memorandum and Articles of Association

"The report by the Board of Directors on the Company's business and the reports of the Statutory Auditors shall be presented to the shareholders at Ordinary General Meetings.

Ordinary General Meetings have remit to discuss, approve or modify the financial statements and declare dividends. The resolution approving the balance sheets and financial statements can only be adopted after the presentation of a report by the Statutory Auditors, failing which the resolution shall be invalid.

Ordinary General Meetings vote on the special report prepared by the Statutory Auditors as required by law.

They appoint the directors and Statutory Auditors.

They determine the directors' fees to be paid to the Board of Directors.

They approve proposed bond issues, and may grant the Board of Directors the necessary powers to carry out such bond issues in one or more operations within a period of five years, and to define the terms and conditions.

They authorise the Company to trade in Company shares on the financial markets in accordance with the terms and conditions and within the limits laid down by law.

They vote on any other proposals included in the agenda that are not within the remit of the Extraordinary General Meeting."

Article 39 of the Memorandum and Articles of Association

"The Extraordinary General Meeting has sole remit to amend the Memorandum and Articles of Association. It is not, however, entitled to increase the shareholders' commitments, subject to any transactions resulting from a duly and properly completed reverse stock split.

The Extraordinary General Meeting shall not be entitled to change the nationality of the Company, unless the country of which the Company is

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planning to adopt the nationality, and to which it wishes to transfer its registered office, has entered into a special agreement with France allowing such operations and maintaining the Company's legal personality.

Any resolution adopted at a General Meeting to modify the rights relating to a specific class of shares shall only be final after it has been approved at a Special Meeting of the shareholders of the said class."

Article 40 of the Memorandum and Articles of Association

"With effect from the date an Ordinary or Extraordinary General Meeting is called, and for at least fifteen days prior to the date of the meeting, all the shareholders shall be entitled to consult the documents and information listed by law, at the registered office. Shareholders shall only be entitled to consult the report by the Statutory Auditors during the aforesaid fifteen-day period.

Any holder of registered shares or any shareholder who has produced proof that his shares have been registered in an account in accordance with Article 32 of the Memorandum and Articles of Association may submit a request, between the date the General Meeting is called and the fifth day before the meeting, inclusive, to receive by post the documents and information listed by law.

This right to consult includes the right to make copies, with the exception of the statement of assets and liabilities."

Article 41 of the Memorandum and Articles of Association

"Proceedings at General Meetings shall be recorded in minutes kept in a special minute book as required by law, and shall be signed by the officers of each meeting.

Copies of or excerpts from the minutes required as evidence in court, or for any other reason, shall be certified by the Chairman of the Board of Directors, a director holding the office of Chief Executive Officer or the secretary of the General Meeting.

Following the Company's dissolution and during its liquidation, such copies or excerpts shall be certified by the liquidators or any one of them."

Article 42 of the Memorandum and Articles of Association

"Resolutions adopted in accordance with the applicable laws and the Memorandum and Articles of Association shall be binding on all shareholders, including those who were absent or voted against the resolution."

7.1.2.6. Shareholding thresholds

The provisions of Article L. 233-7 of the Commercial Code, under which the crossing of thresholds corresponding to one twentieth, one tenth, three twentieths, one fifth, one quarter, three tenths, one third, one half, two thirds, eighteen twentieths or nineteen twentieths of the capital or voting rights, either upwards or downwards, must be disclosed, are supplemented by Article 13 of the Memorandum and Articles of Association:

"Without prejudice to Article L. 233-7 of the Commercial Code, any person who directly or indirectly holds a fraction of the Company's capital that is equal to 1% or any multiple of this percentage below 5% is required to report this to the Company within five days of crossing a threshold either upwards or downwards."

The sanctions applicable in the event of non-disclosure are set out in Article L. 233-14 of the Commercial Code.

7.1.2.7. Clauses that may affect control of the Company

Not applicable.

7.1.2.8. Changes to the share capital (Articles 8 and 39 of the Memorandum and Articles of Association)

Article 8 of the Memorandum and Articles of Association

"Voting on a proposal by the Board of Directors, the shareholders may adopt a resolution at an Extraordinary General Meeting to increase or reduce the share capital by any means allowed by the applicable laws.

In the event of a reduction of the share capital, the shareholders may resolve that shareholders must sell or purchase a sufficient number of their existing shares to enable them to exchange the existing shares for new shares, with or without payment or receipt of the cash balance, even when the capital reduction is not decided due to the existence of losses."

Article 39 of the Memorandum and Articles of Association

Please refer to section 7.1.2.5, page 182 of this Registration Document.

7.2. Information about the share capital

7.2.1. CONDITIONS OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION GOVERNING CHANGES TO THE SHARE CAPITAL AND THE SHARES

Not applicable.

7.2.2. ISSUED CAPITAL AND UNISSUED AUTHORISED CAPITAL

7.2.2.1. Issued capital

As at 31 December 2013, the Company's share capital was €1,122,964.11 divided into 29,167,899 shares with a par value of €0.0385 each, all of the same class and enjoying the same rights, fully subscribed and fully paid-up. The share capital did not change between 31 December 2013 and the filing of this Registration Document.

7.2.2.2. Unissued authorised capital

The table below shows, in application of Article L. 225-129-5 of the Commercial Code (*Code de commerce*) in particular, the valid delegations as well as those that expired during 2013 granted to the Board of Directors by the General Meeting to increase or reduce the share capital, and the use thereof made by the Board of Directors during the 2013 financial year. This table also summarises the main terms of the delegations submitted to the General Meeting of 27 May 2014 (see the explanations given on this matter in the Board of Directors' report for the General Meeting in section 8.2, page 204 of this Registration Document).

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7.2. Information about the share capital

Nature of authorisation	Valid authorisations (and authorisations that expired during the 2013 financial year)				Authorisations submitted to the General Meeting of 27 May 2014		
	Date of General Meeting (resolution no.)	Period (in months)	Maximum amount authorised	Use during the financial year	Resolution no.	Period (in months)	Maximum amount authorised
Increase in capital							
Issue with maintenance of preferential subscription rights	31/05/2012 (10)	26	€357,000 in par value for capital securities, €200 million in par value for debt securities	N/A	14	26	€357,000 in par value for capital securities, €200 million in par value for debt securities
Issue with waiver of preferential subscription rights by means of a public offering	31/05/2012 (11)	26	€215,000 in par value for capital securities, €200 million in par value for debt securities ¹	N/A	15	26	€215,000 in par value for capital securities, €200 million in par value for debt securities ⁵
Issue with waiver of preferential subscription rights by means of an offering pursuant to Article L. 411-2 (II) of the Monetary and Financial Code	31/05/2012 (12)	26	€215,000 in par value for capital securities, €200 million in par value for debt securities ¹	N/A	16	26	€215,000 in par value for capital securities, €200 million in par value for debt securities ⁵
Increase in the amount of the issues undertaken with maintenance or waiver of preferential subscription rights by means of a public offering or an offering pursuant to Article L. 411-2 (II) of the Monetary and Financial Code in the event of surplus demand	31/05/2012 (13)	26	15% of the initial issue ¹	N/A	17	26	15% of the initial issue ⁵
Setting the price of the issues undertaken with waiver of preferential subscription rights by means of a public offering or an offering pursuant to Article L. 411-2 (II) of the Monetary and Financial Code, within the limit of 10% of the capital	31/05/2012 (14)	26	10% of the share capital on the day of the decision of the Board of Directors setting the price of the issue per 24-month period ^{1,2}	N/A	18	26	10% of the share capital on the day of the decision of the Board of Directors setting the price of the issue per 24-month period ^{5,6}
Issue to remunerate contributions in kind granted to the Company, within the limit of 10% of the capital	31/05/2012 (15)	26	10% of the share capital on the day of the issue decision by the Board of Directors ¹	N/A	19	26	10% of the share capital on the day of the issue decision by the Board of Directors ⁵
Issue to remunerate contributions of securities pursuant to a public exchange offer	31/05/2012 (16)	26	€215,000 in par value ¹	N/A	20	26	€215,000 in par value ⁵
Issue with waiver of preferential subscription rights in favour of members of a company savings plan or a group savings plan	31/05/2012 (17)	26	€50,000 in par value ¹	N/A	21	26	€50,000 in par value ⁵
Capital increase by the capitalisation of premiums, reserves, profit or other sums eligible for capitalisation	31/05/2012 (18)	26	Total amount that can be capitalised as at the date of the decision of the Board of Directors	N/A	22	26	Total amount that can be capitalised as at the date of the decision of the Board of Directors

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Nature of authorisation	Valid authorisations (and authorisations that expired during the 2013 financial year)				Authorisations submitted to the General Meeting of 27 May 2014		
	Date of General Meeting (resolution no.)	Period (in months)	Maximum amount authorised	Use during the financial year	Resolution no.	Period (in months)	Maximum amount authorised
Purchase by the Company of its own shares							
Authorisation of the purchase by the Company of its own shares as part of a share buyback programme	14/03/2012 (6)	18	10% of the share capital on the date of the purchase (5% of the share capital in the case of shares that may be acquired in order to be subsequently given in payment or exchange as part of an acquisition) Maximum total amount of acquisitions, net of costs: €60 million Maximum purchase price per share: €28	Implementation of a liquidity contract operated by Kepler Cheuvreux (86,850 treasury shares as at 30/05/2013) ³	N/A	N/A	N/A
Authorisation of the purchase by the Company of its own shares as part of a share buyback programme	30/05/2013 (13)	18	10% of the share capital on the date of the purchase (5% of the share capital in the case of shares that may be acquired in order to be subsequently given in payment or exchange as part of an acquisition) Maximum total amount of acquisitions, net of costs: €60 million Maximum purchase price per share: €28	Implementation of a liquidity contract operated by Kepler Cheuvreux and then Exane BNP Paribas (56,369 treasury shares as at 31/12/2013) ³	12	18	10% of the share capital on the date of the purchase (5% of the share capital in the case of shares that may be acquired in order to be subsequently given in payment or exchange as part of an acquisition) Maximum total amount of acquisitions, net of costs: €75 million Maximum purchase price per share: €36
Authorisation to reduce the capital by cancelling shares purchased by the Company as part of a share buyback programme	31/05/2012 (9)	18	10% of the share capital per 24-month period	N/A	N/A	N/A	N/A
Authorisation to reduce the share capital by cancelling shares	30/05/2013 (16)	18	10% of the share capital per 24-month period	N/A	13	18	10% of the share capital per 24-month period
Stock options and bonus share allotments							
Authorisation to carry out a bonus allotment of existing or future shares in favour of the employees and corporate officers of the Company and its related companies	14/03/2012 (8)	38	810,000 shares ¹	Allotment of 92,000 bonus shares ⁴	23	38	830,000 shares ⁵

1. Maximum amount set against the cap of €357,000 in par value (for capital securities) and €200 million in par value (for debt securities) provided for by the 10th resolution of the General Meeting of 31 May 2012.

2. Maximum amount set against the caps of €215,000 in par value (for capital securities) and €200 million in par value (for debt securities) provided for by the 11th and 12th resolutions of the General Meeting of 31 May 2012, as well as the cap of €357,000 in par value (for capital securities) and €200 million in par value (for debt securities) provided for by the 10th resolution of the General Meeting of 31 May 2012.

3. See explanations given in section 7.3.6.2 on page 189 of this Registration Document.

4. See explanations given in section 7.4.3.1 on page 196 of this Registration Document.

5. Maximum amount set against the cap of €357,000 in par value (for capital securities) and €200 million in par value (for debt securities) provided for by the 14th resolution of the General Meeting of 27 May 2014.

6. Maximum amount set against the caps of €215,000 in par value (for capital securities) and €200 million in par value (for debt securities) provided for by the 15th and 16th resolutions of the General Meeting of 27 May 2014, as well as the cap of €357,000 in par value (for capital securities) and €200 million in par value (for debt securities) provided for by the 14th resolution of the General Meeting of 31 May 2012.

On 13 January 2014, the Chairman and Chief Executive Officer, acting pursuant to the delegation granted to him by the Board of Directors at its meeting on 17 December 2013, decided to proceed with an allotment of bonus shares of a total of 117,033 shares to all employees of the Group's

operating companies (see section 7.4.1, page 194 of this Registration Document for further details). As a result, the potential share capital changed as follows between 31 December 2014 and the date on which this Registration Document was filed:

	31/12/2013		As at the filing date of this Registration Document	
	Potential number of shares	Potential par value (in euros)	Potential number of shares	Potential par value (in euros)
Issued capital	29,167,899	1,122,964.11	29,167,899	1,122,964.11
Unissued authorised capital	792,000	30,492.00	909,033	34,997.77
Stock options	101,600	3,911.60	101,600	3,911.60
Bonus share allotments	690,400	26,580.40	807,433	31,086.17
Total	29,959,899	1,153,456.11	30,076,932	1,157,961.88

The Company had not issued any shares granting rights to the capital as at 31 December 2013 and on the date on which this Registration Document was filed. The principal terms and conditions of the share subscription or purchase option plans and the bonus share plans outstanding on 31 December 2013 are set out in section 7.4, page 194 of this Registration Document. Outside the Company, none of the Group's companies were affected by an options plan likely to affect its share capital or by an agreement for the introduction of such an options plan, with the exception of Methaneo, where the following plans, described in note 22.2 of the notes to the 2013 consolidated financial statements, on page 118 of chapter 4 of this Registration Document, were in force as at 31 December 2013:

- a plan for the allotment of bonus Methaneo shares set up in 2012 to this company's employees, concerning 2.5% of its capital, whereby the founder shareholders agreed to sell the Company the necessary Methaneo shares to maintain its stake at 60% of the capital;

- authorisation granted to the Chairman of Methaneo in 2012, to allot to this company's employees "entrepreneurs' share warrants" (*bons de souscription de parts de créateurs d'entreprise - BSPCE*) that grant their holders the right to subscribe one ordinary new Methaneo share at a subscription price of €714 for a period of six months from the date on which they were allotted.

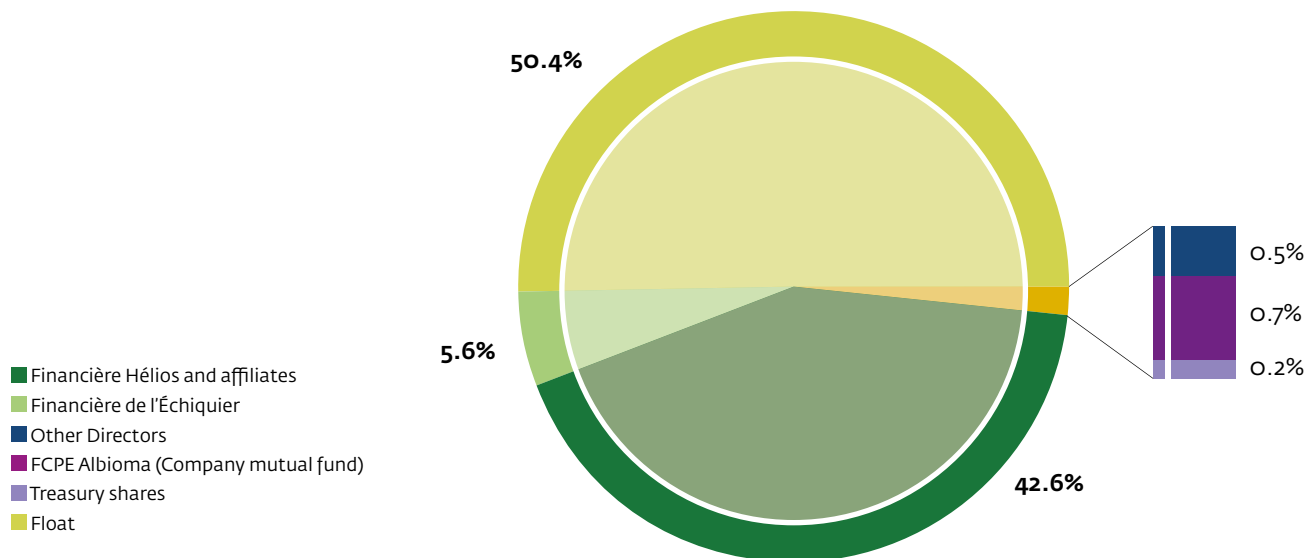
Similarly, as at 31 December 2013 and on the date this Registration Document was filed, there were no securities in existence that did not represent capital.

7.2.3. CHANGES IN SHARE CAPITAL DURING THE LAST FIVE YEARS

Date	Transaction	Par value of the share after the transaction (in euros)	Change in par value of the capital (in euros)	Amount of the capital after transaction	Number of shares created or cancelled	Number of shares after the transaction
31/12/2008	–	0.0385	–	1,070,852.86	–	27,814,360
05/07/2009	Payment of 50% of the dividend for the 2008 financial year in shares	0.0385	24,150.47	1,095,003.33	627,285	28,441,645
Between 13/12/2009 and 31/12/2009	Exercise of stock options	0.0385	192.50	1,095,195.83	5,000	28,446,645
05/07/2012	Payment of 50% of the dividend for the 2011 financial year in shares	0.0385	7,153.30	1,102,349.13	185,800	28,632,445
05/07/2013	Payment of 50% of the dividend for the 2012 financial year in shares	0.0385	20,614.98	1,122,964.11	535,454	29,167,899

7.3. Shareholders

7.3.1. SHAREHOLDER STRUCTURE AS AT 31 DECEMBER 2013



7.3.2. CONTROL OF THE COMPANY, CROSSING OF DISCLOSURE THRESHOLDS, SHAREHOLDERS HOLDING MORE THAN 5% OF THE CAPITAL OR THE VOTING RIGHTS

7.3.2.1. Control of the Company

As at 31 December 2013, Financière Hélios directly held 10,837,019 shares in the Company (representing 37.15% of the capital and 37.23% of the voting rights). On this date the Company was directly and indirectly controlled by Altamir Amboise and by the private equity fund (FCPR) Apax France VI (managed by Apax Partners), which held respectively 442,122 shares (representing 1.52% of the capital and 1.52% of the voting rights) and 1,136,479 shares (representing 3.90% of the capital and 3.90% of the voting rights) in the Company.

As at 31 December 2013, Financière Hélios, Apax France VI and Altamir Amboise SCA thus held between them 12,415,620 shares in the Company (representing 42.57% of the capital and 42.65% of the voting rights). Accordingly, taking into account the voting rights that are effectively exercised, the percentage of the capital and the voting rights held by these Apax group entities confers upon them the majority of the voting rights at the Company's General Meetings.

Financière Hélios is a Director of the Company. It is represented in this role by Mr Edgard Misrahi. Messrs Patrick de Giovanni and Maurice Tchenio, Directors in their own names, also belong to the Apax group.

As at 31 December 2013, the Company considered that there is no risk of any abuse of the Apax group's controlling power. The following measures are moreover intended to protect the Company from the abusive exercise of said control:

- the presence on the Board of Directors of a majority of independent Directors (5 out of 9, see explanations given in section 2.2.2.2 on page 34 of this Registration Document);
- each of the Board of Directors' Specialised Committees counts among its members two independent Directors, including its Chairman, together with a Director from the Apax group.

7.3.2.2. Crossing of disclosure thresholds, shareholders holding more than 5% of the capital or the voting rights

As at 31 December 2013, to the best of the Company's knowledge, in addition to Apax group entities, the funds managed by Financière de l'Échiquier held between them 1,638,441 shares (representing 5.62% of the capital and 5.63% of the voting rights). The crossing of the threshold of 5% of the capital and the voting rights by Financière de l'Échiquier, on behalf of the funds that it manages, was disclosed to the AMF (*Autorité des Marchés Financiers*) on 13 January 2011 (D&I 211C0049 of 14 January 2011).

During the 2013 financial year and until the date on which this Registration Document was filed, the Company was not informed of any crossing in either direction of the capital or voting right thresholds referred to in Article L. 233-7 of the Commercial Code.

As far as the Company is aware, as at 31 December 2013 and on the date on which this Registration Document was filed, no other shareholders directly or indirectly hold more than 5% of the capital or voting rights.

In application of Article L. 228-2 of the Commercial Code and Article 13 of its Memorandum and Articles of Association, at the beginning of the 2014 financial year the Company introduced, through the central custodian of NYSE Euronext Paris, Euroclear France, a procedure for identifying its bearer shareholders (the so-called Identifiable Bearer Securities survey). This did not reveal the existence of shareholders or intermediaries registered on behalf of non-resident shareholders that hold a participating interest that exceeds one of the abovementioned thresholds.

7.3.3. CHANGES IN OWNERSHIP OF THE SHARE CAPITAL AND THE VOTING RIGHTS DURING THE LAST THREE FINANCIAL YEARS

	31/12/2013 ¹				31/12/2012				31/12/2011			
	Number of shares	% of the capital	% of exercisable voting rights ²	% of theoretical voting rights ²	Number of shares	% of the capital	% of exercisable voting rights ²	% of theoretical voting rights ²	Number of shares	% of the capital	% of exercisable voting rights ²	% of theoretical voting rights ²
Financière Hélios	10,837,019	37.15%	37.23%	37.15%	10,581,980	36.96%	37.03%	36.96%	10,581,980	37.20%	37.34%	37.20%
FCPR Apax France VI	1,136,479	3.90%	3.90%	3.90%	1,109,733	3.88%	3.88%	3.88%	1,109,733	3.90%	3.92%	3.90%
Altamir Amboise	442,122	1.52%	1.52%	1.52%	431,718	1.51%	1.51%	1.51%	431,718	1.52%	1.52%	1.52%
Financière Hélios and affiliates	12,415,620	42.57%	42.65%	42.57%	12,123,431	42.34%	42.43%	42.34%	12,123,431	42.62%	42.78%	42.62%
Financière de l'Échiquier	1,638,441	5.62%	5.63%	5.62%	1,659,385	5.80%	5.81%	5.80%	1,509,000	5.30%	5.33%	5.30%
Other Directors ³	144,585	0.50%	0.50%	0.50%	14,707	0.05%	0.05%	0.05%	7,845	0.03%	0.03%	0.03%
FCPE Albioma ⁴	197,780	0.68%	0.68%	0.68%	162,941	0.57%	0.57%	0.57%	147,500	0.52%	0.52%	0.52%
Shares held by Group companies	–	–	–	–	–	–	–	–	–	–	–	–
Treasury shares ⁵	58,193	0.20%	–	0.20%	56,500	0.20%	–	0.20%	108,800	0.38%	–	0.38%
Float	14,713,280	50.44%	50.54%	50.44%	14,615,481	51.05%	51.15%	51.05%	14,550,069	51.15%	51.35%	51.15%
Total	29,167,899	100.00%	100.00%	100.00%	28,632,445	100.00%	100.00%	100.00%	28,446,645	100.00%	100.00%	100.00%

1. To the best of the Company's knowledge, the ownership of the share capital did not undergo any material change between 31 December 2013 and the date on which this Registration Document was filed.

2. See explanations given in section 7.3.8 on page 194 of this Registration Document.

3. Directors other than Financière Hélios. As at 31 December 2013: Messrs Jacques Pétry, Jean-Carlos Angulo, Michel Bleitrach, Patrick de Giovanni, Mrs Myriam Maestroni, Mr Edgard Misrahi, Mrs Michèle Remillieux, Messrs Maurice Tchenlo and Daniel Valot; as at 31 December 2012: Messrs Jacques Pétry, Michel Bleitrach, Patrick de Giovanni, Xavier Lencou-Barème, Mrs Myriam Maestroni, Mr Edgard Misrahi, Messrs Guy Rico and Jean Stern; as at 31 December 2011: Messrs Jacques Pétry, Michel Bleitrach, Patrick de Giovanni, Xavier Lencou-Barème, Edgard Misrahi, Guy Rico and Jean Stern.

4. An employee shareholder company investment fund (Fonds commun de placement d'entreprise) operating as part of the Company's company savings plan. See explanations given in sections 6.2.1.3 on page 164 and 7.3.4, page 189 of this Registration Document.

5. Shares held under a liquidity contract operated by Kepler Cheuvreux, and subsequently by Exane BNP Paribas, temporarily stripped of voting rights. See explanations given in section 7.3.6 on page 189 of this Registration Document.

7.3.4. EMPLOYEES' PARTICIPATING INTEREST IN THE SHARE CAPITAL

As at 31 December 2013, the Company's employees held, via the Albioma FCPE, an employee shareholder company investment fund operating as part of the company savings plan, a total of 197,780 shares (representing 0.68% of the capital and 0.68% of the voting rights) (see section 6.2.1.3, page 164 of this Registration Document for further details).

7.3.5. SHAREHOLDER AGREEMENTS

7.3.5.1. Agreements liable to cause a change in control

None, to the best of the Company's knowledge.

7.3.5.2. Shareholders' agreements (Articles L. 233-11 of the Commercial Code and 233-18 of the general regulation of the Financial Markets Authority)

None, to the best of the Company's knowledge.

7.3.5.3. "Dutreil law" lock-in commitments

None, to the best of the Company's knowledge.

7.3.6. SHARES HELD BY GROUP COMPANIES, TREASURY SHARES AND SHARE BUYBACK PROGRAMMES

7.3.6.1. Shares held by Group companies

Not applicable.

7.3.6.2. Treasury shares, liquidity contracts and share buyback programmes

Treasury shares

As at 31 December 2013, the Company held 58,193 of its own shares (representing 0.2% of the capital and stripped of their voting rights) under a liquidity contract operated by Exane BNP Paribas.

Liquidity contracts

Liquidity contracts operated during the 2013 financial year

During the 2013 financial year, with effect from 7 August 2013 the Company terminated the liquidity contract operated until that date by Kepler Cheuvreux and entrusted Exane BNP Paribas with the implementation of a new liquidity contract with the object of fostering trading in Albioma's stock on the regulated NYSE Euronext Paris market. Like its predecessor, this contract complies with the AMAFI (*Association des Marchés Financiers*) code of conduct approved by the Financial Markets Authority. The assets held on the liquidity account for the contract between the Company and Kepler Cheuvreux were transferred to the liquidity account associated with the contract entered into with Exane BNP Paribas.

7 • LEGAL INFORMATION, CAPITAL AND SHARE OWNERSHIP

7.3. Shareholders

During the financial year, the assets allocated to the liquidity contract were as follows:

	30/06/2013 ¹	07/08/2013 ²	31/12/2013 ³
Investment service provider	Kepler Cheuvreux	Exane BNP Paribas	Exane BNP Paribas
Number of shares held on the liquidity account	83,596	51,650	58,193
Cash held on the liquidity account (in euros)	602,451.70	1,090,057.85	985,055.00

1. Date on which positions were calculated for the half-yearly liquidity contract results as at 30 June 2013.

2. Date on which positions were calculated for the transfer of the assets held on the liquidity account from Kepler Cheuvreux to Exane BNP Paribas.

3. Date on which positions were calculated for the half-yearly liquidity contract results as at 31 December 2013.

Trading by the Company in its own shares in connection with liquidity contracts during the 2013 financial year

Percentage of direct or indirect treasury shares as at 31/12/2013	0.20%
of which, held under a liquidity contract operated by Exane BNP Paribas	0.20%
Number of shares cancelled during the last 24 months	–
Number of shares held in the portfolio as at 31/12/2013	58,193
Net book value of the portfolio as at 31/12/2013 (in euros) ¹	997,419.01
Market value of the portfolio as at 31/12/2013 (in euros)	842,052.71
Total number of shares bought during the 2013 financial year ²	382,114
Total number of shares sold during the 2013 financial year ²	(380,421)
Average purchase price (in euros) ²	15.44
Average selling price (in euros) ²	15.60

1. Net book value of the portfolio with value date 31 December 2013, calculated using the First In, First Out method (FIFO).

2. Transactions involving Delivery Versus Payment (DVP) between 1 and 31 December 2013.

No derivatives were used in connection with share buybacks under the liquidity contracts operated during the 2013 financial year. There were no long or short positions open as at 31 December 2013 or on the date on which this Registration Document was filed.

Share buyback programmes

Share buyback programmes implemented during the 2013 financial year

The abovementioned liquidity contracts were operated during the 2013 financial year as part of the share buyback programmes authorised by the Ordinary and Extraordinary General Meetings of 14 March 2012 and 30 May 2013 for a period of 18 months. The authorisation granted on 30 May 2013 invalidated the unused part of the authorisation granted on 14 March 2012.

The terms of these authorisations were as follows.

Objectives (in decreasing order of priority)	<ul style="list-style-type: none"> • To foster liquidity and to stimulate the market for the Company's shares through an investment services provider acting completely independently under a liquidity contract and in accordance with a code of conduct recognised by the AMF. • To implement all Company stock option plans in accordance with Article L. 225-177 <i>et seq.</i> of the Commercial Code, all allotments of bonus shares under a company or Group savings plan in accordance with Article L. 3332-1 <i>et seq.</i> of the Employment Code, all allotments of bonus shares under Article L. 225-197-1 <i>et seq.</i> of the Commercial Code, and all allotments of bonus shares under any scheme to share in the Company's profits, and to carry out any hedging transactions in connection therewith, in accordance with the terms and conditions laid down by the market authorities and at the times chosen by the Board of Directors or the person to whom the Board of Directors has delegated authority. • To deliver shares when rights attached to securities giving immediate or subsequent access to Company shares by any means are exercised, and to carry out any hedging transactions in connection with the Company's obligations related to such securities, under the terms and conditions laid down by the market authorities and at the times chosen by the Board of Directors or the person to whom the Board of Directors has delegated authority. • To cancel all or some of the shares bought back within the framework of a capital reduction and under the terms and conditions authorised by the shareholders at a General Meeting. • To keep the shares with a view to their subsequent delivery as payment or in exchange within the framework of acquisitions, in accordance with accepted market practices and the applicable regulations. • To implement any other market practices that are accepted or recognised by the law or the AMF and, more generally, to achieve any other objective allowed by the applicable regulations.
Maximum amount of capital that can be bought back	10% of the share capital (5% of the share capital in the case of shares that may be bought with the intention of subsequently delivering them in payment or exchange as part of an acquisition). The Company may not hold more than 10% of its own capital at any time.
Maximum purchase price	€28 per share, and in the event of capital transactions such as the capitalisation of reserves followed by the issue and allotment of bonus shares and/or a stock split or reverse stock split operation, this maximum purchase price will be adjusted accordingly by applying a factor corresponding to the ratio between the number of shares comprising the capital before the transaction and the number of shares after the transaction.
Maximum amount, net of costs, allocated to the programme	€60 million
Buying and selling procedures	<p>By any means, in particular on the market or off the market, including over-the-counter, or through block trades or a public offering, trading in options or derivatives, the purchase of options or the purchase of securities. There is no limit on the part of the programme that may be traded in blocks and it may account for the entire programme.</p> <p>In the event of a public offering for Company shares settled in full in cash, the Company may continue to implement its share buyback programme in compliance with the applicable laws and regulations.</p>
Term	18 months starting from the date of the General Meeting.

During the 2013 financial year, all share buybacks were carried out in connection with the implementation of the liquidity contract to the exclusion of any other purpose authorised by the Ordinary and Extraordinary General Meetings of 14 March 2012 and 30 May 2013. In particular, the Company did not make use of authorisations to reduce the share capital by cancelling shares acquired under a share buyback programme granted by the Ordinary and Extraordinary General Meetings of 31 May 2012 and 30 May 2013 (see the explanations given in section 7.2.2.2, page 184 of this Registration Document relating to the use during the financial year of the delegations concerning the share capital granted to the Board of Directors by the General Meeting).

7 • LEGAL INFORMATION, CAPITAL AND SHARE OWNERSHIP

7.3. Shareholders

Proposal to the Ordinary and Extraordinary General Meeting of 27 May 2014 to renew the authorisation granted to the Board of Directors to trade in the Company's shares

A proposal will be submitted to the Ordinary and Extraordinary General Meeting of 27 May 2014 to renew, for a period of 18 months, the authorisation granted to the Board of Directors to trade in the Company's shares. In this case, the new authorisation shall invalidate the unused part of the authorisation granted to the Board of Directors by the Ordinary and Extraordinary General Meeting of 30 May 2013 (see the explanations given in the Board of Directors' report for the General Meeting in section 8.2 page 204 of this Registration Document).

The terms of the proposal submitted to the Ordinary and Extraordinary General Meeting of 27 May 2014 are as follows:

Objectives (in decreasing order of priority)	<ul style="list-style-type: none">• To foster liquidity and to stimulate the market for the Company's shares through an investment services provider acting completely independently under a liquidity contract and in accordance with a code of conduct recognised by the AMF.• To implement all Company stock option plans in accordance with Article L. 225-177 <i>et seq.</i> of the Commercial Code, all allotments of bonus shares under a company or Group savings plan in accordance with Article L. 3332-1 <i>et seq.</i> of the Employment Code, all allotments of bonus shares under Article L. 225-197-1 <i>et seq.</i> of the Commercial Code, and all allotments of bonus shares under any scheme to share in the Company's profits, and to carry out any hedging transactions in connection therewith, in accordance with the terms and conditions laid down by the market authorities and at the times chosen by the Board of Directors or the person to whom the Board of Directors has delegated authority.• To deliver shares when rights attached to securities giving immediate or subsequent access to Company shares by any means are exercised, and to carry out any hedging transactions in connection with the Company's obligations related to such securities, under the terms and conditions laid down by the market authorities and at the times chosen by the Board of Directors or the person to whom the Board of Directors has delegated authority.• To cancel all or some of the shares bought back within the framework of a capital reduction and under the terms and conditions authorised by the shareholders at a General Meeting.• To keep the shares with a view to their subsequent delivery as payment or in exchange within the framework of acquisitions, in accordance with accepted market practices and the applicable regulations.• To implement any other market practices that are accepted or recognised by the law or the AMF and, more generally, to achieve any other objective allowed by the applicable regulations.
Maximum amount of capital that can be bought back	10% of the share capital (5% of the share capital in the case of shares that may be bought with the intention of subsequently delivering them in payment or exchange as part of an acquisition). The Company may not hold more than 10% of its own capital at any time.
Maximum purchase price	€36 per share, and in the event of capital transactions such as the capitalisation of reserves followed by the issue and allotment of bonus shares and/or a stock split or reverse stock split operation, this maximum purchase price will be adjusted accordingly by applying a factor corresponding to the ratio between the number of shares comprising the capital before the transaction and the number of shares after the transaction.
Maximum amount, net of costs, allocated to the programme	€75 million.
Buying and selling procedures	<p>By any means, in particular on the market or off the market, including over-the-counter, or through block trades or a public offering, trading in options or derivatives, the purchase of options or the purchase of securities. There is no limit on the part of the programme that may be traded in blocks, and they may account for the entire programme.</p> <p>In the event of a public offering for Company shares settled in full in cash, the Company may continue to implement its share buyback programme in compliance with the applicable laws and regulations.</p>
Term	18 months starting from the date of the General Meeting.

Proposal to the Ordinary and Extraordinary General Meeting of 27 May 2014 to renew the authorisation granted to the Board of Directors to reduce the capital by cancelling shares acquired under a share buyback programme

The General Meeting is also invited to renew the authorisation granted to the Board of Directors by the Ordinary and Extraordinary General Meeting of 30 May 2013 to reduce the share capital by cancelling shares acquired under a share buyback programme. The new authorisation shall invalidate the unused part of the authorisation granted to the Board of Directors by the Ordinary and Extraordinary General Meeting of 30 May 2013 (see the explanations given in the Board of Directors' report for the General Meeting in section 8.2 page 204 of this Registration Document).

7.3.7. PLEDGES OF THE ISSUER'S SHARES

Identity of direct registered shareholder	Beneficiaries	Start date	Maturity date	Condition for lifting pledge	Number of shares pledged	% of the capital pledged as at 31/12/2013
Financière Hélios SAS	Natixis ¹ Société Générale ¹	16/07/2008	First of the two following dates: (i) the date of full and final repayment of all sums owed under the Secured Obligations, (ii) the date on which the pledge is fully lifted.	Payment in full and/or repayment of all sums in principal, interest, late payment interest, compensation, costs, fees and incidental amounts owed by Financière Hélios SAS to the Beneficiaries under the Credit Facility Agreement of 16 July 2008, and all charges, costs and expenses incurred by the Beneficiaries to protect, preserve and/or exercise their rights with regard to Financière Hélios SAS (the "Secured Obligations")	10,837,019	37.15%
Financière Hélios SAS	Natixis ² Société Générale ²	05/05/2010	First of the two following dates: (i) the date of full and final repayment of all sums owed under the Additional Secured Obligations, (ii) the date on which the pledge is fully lifted.	Payment in full and/or repayment of all sums in principal, interest, late payment interest, compensation, costs, fees and incidental amounts owed by Financière Hélios SAS to the Beneficiaries in connection with the additional obligations imposed upon it under the Memorandum of Understanding, i.e., primarily, the increase in the margin applicable to the credit, and all charges, costs and expenses incurred by the Beneficiaries to protect, preserve and/or exercise their rights with regard to Financière Hélios SAS (the "Additional Secured Obligations")	10,837,019	37.15%

1. Senior pledge

2. Junior pledge.

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7.4. Share subscription and purchase option plans and bonus share plans

7.3.8. VOTING RIGHTS

As at 31 December 2013 and on the date on which this Registration Document was filed, each share entitled its holder to one voting right exercisable at General Meetings. On these dates there were no securities in existence that conferred multiple or special voting rights.

Treasury shares held by the Company under the liquidity contract operated by Exane BNP Paribas were temporarily stripped of voting rights. Every month, the Company publishes the number of exercisable voting rights and theoretical voting rights attached to the shares that comprise the capital.

Theoretical voting rights are calculated on the basis of all the shares to which voting rights are attached, including treasury shares under the aforementioned liquidity contract, temporarily stripped of voting rights. The number of theoretical voting rights is used to calculate the crossings of thresholds provided for by Article L. 233-7 of the Commercial Code and by Article 13 of the Company's Memorandum and Articles of Association.

Exercisable voting rights are calculated on the basis of all the shares to which voting rights that can actually be exercised at General Meetings are attached and do not therefore include the voting rights attached to the treasury shares held under the aforementioned liquidity contract.

7.4. Share subscription and purchase option plans and bonus share plans

7.4.1. THE GROUP'S LONG-TERM PROFIT SHARE POLICY

The Company sets great store by the importance of offering its personnel and management a long-term incentive plan. The arrangements used have taken the form of stock option plans, and latterly bonus share plans.

Only the stock option plan adopted by the Ordinary and Extraordinary General Meeting of 18 May 2010 (meeting of the Board of Directors of 27 August 2010) concerning a maximum of 200,000 attributable stock options (corresponding to one share for each option exercised, i.e. 0.65% of the capital as at 31 December 2013) was in operation as at 31 December 2013. The stock option plans adopted by the Ordinary and Extraordinary General Meeting of 18 December 2001 (meetings of the Board of Directors of 2 September 2002 and 11 December 2003) were exercised in full during the exercise period from 11 December 2007 to 11 February 2010. The stock option plan adopted by the General Meeting of 27 May 2005 (meeting of the Board of Directors of 13 December 2005) was partially exercised during the exercise period from 13 December 2009 to 13 December 2012. All unexercised options were declared null and void on 13 December 2012.

Only the bonus share plan adopted by the Ordinary and Extraordinary General Meeting of 14 March 2012 (meetings of the Board of Directors of 26 July 2012, 28 November 2012, 17 January 2013, 18 March 2013, 26 July 2013, 24 September 2013 and 17 December 2013) concerning a maximum of 810,000 attributable shares (i.e. 2.43% of the capital as at 31 December 2013) was in operation as at 31 December 2013. The bonus share plan adopted by the Ordinary and Extraordinary General Meeting of 16 June 2009 (meetings of the Board of Directors of 28 August 2009, 25 January 2010, 28 July 2010 and 21 October 2011) was invalidated in full as at 31 December 2012 (145,135 bonus shares allotted to Nordine Hachemi were declared invalid by the Board of Directors at its meeting on 21 October 2011 when he was removed from office due to strategic differences, 121,330 allotted bonus shares were declared invalid as a result of the departure of 13 beneficiary employees between the allotment date and 31 December 2012, and the remaining 141,650 allotted bonus shares were expressly and irrevocably waived by the 37 beneficiary employees as part of their acceptance of the benefit of the bonus share plan adopted by the Ordinary and Extraordinary General Meeting of 14 March 2012).

At its meeting on 26 July 2012 the Board of Directors decided, on the recommendation of the Nomination and Remuneration Committee, to allot bonus shares at the beginning of 2014 as part of the plan approved by the Ordinary and Extraordinary General Meeting of 14 March 2012 in favour of all employees of the operating companies if the average availability of the facilities during 2012 and 2013 was greater than 91.5%. A reserve of 120,000 shares was accordingly set aside for the purpose of these allotments. The Chairman and Chief Executive Officer, acting pursuant to the delegation granted to him by the Board of Directors, confirmed that this condition had been met and approved the allotment of 117,033 bonus shares to all the employees of the Group's operating companies, confirming the Group's desire to involve all its personnel in long-term value creation.

At its meeting on 4 March 2014, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, decided to submit to the Ordinary and Extraordinary General Meeting of 27 May 2014 a resolution concerning the renewal of the authorisation granted to the Board of Directors to allot bonus shares to employees and corporate officers of the Company and of its related companies. This authorisation shall apply to a maximum of 830,000 shares, representing around 2.8% of the capital as at 31 December 2013, i.e., a level of dilution identical to that authorised by the General Meeting of 14 March 2012. It will result in the implementation of a new bonus share plan for another two-year period. Further details on this matter can be found in the Board of Directors' report for the General Meeting, in section 8.2, page 204 of this Registration Document.

7.4.2. STOCK OPTION PLANS

The information that follows, together with the information in section 2.3.4, page 65 of this Registration Document, constitutes the special report of the Board of Directors referred to in Article L. 225-184 of the Commercial Code.

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7.4. Share subscription and purchase option plans and bonus share plans

7.4.2.1. Current stock option plans

The key features of the stock option plans adopted by the General Meeting of 18 May 2010 (meeting of the Board of Directors of 27 August 2010) are set out below.

		As a % of the capital as at 31/12/2013
Date of General Meeting	18/05/2010	
Date of meeting of the Board of Directors	27/08/2010	
Total number of initial beneficiaries	82	
Total number of options granted	190,000	0.65%
Overall valuation at the time of granting options (in million euros) ¹	949	
Total number of shares that can be subscribed	190,000	0.65%
of which, shares that can be subscribed by the first 10 employees that are not corporate officers	68,000	0.23%
of which, shares that can be subscribed by corporate officers	33,500	0.11%
• Nordine Hachemi (Chairman and Chief Executive Officer until 21/10/2011)	30,000	0.10%
• Jacques Pétry (Chairman and Chief Executive Officer since 21/10/2011)	–	–
• Xavier Lencou-Barème (Director until 30/05/2013)	3,500	0.01%
Start point for exercising options	28/08/2014	
Expiry date	28/08/2017	
Subscription price (in euros) ²	21.31	–
Terms and conditions of exercise ³	Voir note 2	–
Number of shares subscribed as at 31/12/2013	–	–
of which, shares subscribed by the first 10 employees that are not corporate officers	–	–
of which, shares subscribed by corporate officers	–	–
• Nordine Hachemi (Chief Executive Officer until 21/10/2011)	–	–
• Jacques Pétry (Chief Executive Officer since 21/10/2011)	–	–
• Xavier Lencou-Barème (Director until 30/05/2013)	–	–
Total number of stock options cancelled or lapsed as at 31/12/2013	88,300	0.30%
of which, for the first 10 employees that are not corporate officers	33,000	0.11%
of which, for corporate officers	30,000	0.10%
• Nordine Hachemi (Chairman and Chief Executive Officer 21/10/2011) ⁴	30,000	0.10%
• Jacques Pétry (Chairman and Chief Executive Officer since 21/10/2011)	–	–
• Xavier Lencou-Barème (Director until 30/05/2013)	–	–
Number of stock options remaining as at 31/12/2013	101,700	0.35%
of which, for the first 10 employees that are not corporate officers	35,000	0.12%
of which, for corporate officers	3,500	0.01%
• Nordine Hachemi (Chairman and Chief Executive Officer until 21/10/2011)	–	–
• Jacques Pétry (Chairman and Chief Executive Officer since 21/10/2011)	–	–
• Xavier Lencou-Barème (Director until 30/05/2013)	3,500	0.01%

1. Valuation on allocation based on IFRS 2.

2. Arithmetic average of Albioma (Séchillienne-Sidec at the time) shares' closing prices during the 20 trading days preceding the allocation date.

3. The exercise of the options by any beneficiary is subject to a performance condition relating to changes in the installed capacity of the Group's photovoltaic facilities: the capacity of the photovoltaic facilities of the Company and its subsidiaries installed as at 31 December 2011, must have increased by at least 30% per annum compared to the capacity of the facilities installed as at 31 December 2009. This condition was met on 31 December 2011.

4. When, at its meeting on 12 October 2011, the Board of Directors removed Mr Nordine Hachemi from office as Chairman and Chief Executive Officer due to strategic differences, it recorded the cancellation of the 30,000 stock options he had been allotted.

7.4.2.2. Stock subscription and purchase options granted to employees other than corporate officers, or exercised by them during the 2013 financial year

Not applicable.

7.4.3. BONUS SHARE PLANS

The information that follows, together with the information in section 2.3.5, page 67 of this Registration Document, constitutes the special report of the Board of Directors referred to in Article L. 225-197-4 of the Commercial Code.

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7.4. Share subscription and purchase option plans and bonus share plans

7.4.3.1. Current bonus share plans

The key features of the bonus share plans adopted by the General Meeting of 14 March 2012 (meetings of the Board of Directors of 26 July 2012, 28 November 2012, 17 January 2013, 18 March 2013, 26 July 2013, 24 September 2013 and 17 December 2013) are set out below.

		As a % of the capital as at 31/12/2013
Date of General Meeting	14/03/2012	
Date of meeting of the Board of Directors	Du 26/07/2012 au 17/12/2013 ¹	
Total number of initial beneficiaries	81	
Total number of bonus shares allotted ²	709,400	2.43%
Overall valuation at the time of allotment (in million euros) ³	226	
of which, to the first 10 employees that are not corporate officers	220,000	0.75%
of which, to corporate officers	240,000	0.82%
• Jacques Pétry (Chairman and Chief Executive Officer since 21/10/2011)	225,000	0.77%
• Xavier Lencou-Barème (Director until 30/05/2013)	15,000	0.05%
Date shares definitively acquired ⁴	Voir note 3	
End date of retention period ⁵	Voir note 4	
Number of shares definitively acquired as at 31/12/2013	–	–
of which, for the first 10 employees that are not corporate officers	–	–
of which, for corporate officers	–	–
• Jacques Pétry (Chairman and Chief Executive Officer since 21/10/2011)	–	–
• Xavier Lencou-Barème (Director until 30/05/2013)	–	–
Total number of cancelled or lapsed shares as at 13/12/2013	19,000	0.07%
of which, for the first 10 employees that are not corporate officers	–	–
of which, for corporate officers	–	–
• Jacques Pétry (Chairman and Chief Executive Officer since 21/10/2011)	–	–
• Xavier Lencou-Barème (Director until 30/05/2013)	–	–
Number of shares remaining as at 31/12/2013	690,400	2.37%
of which, for the first 10 employees that are not corporate officers	–	–
of which, for corporate officers	240,000	0.82%
• Jacques Pétry (Chairman and Chief Executive Officer since 21/10/2011)	225,000	0.77%
• Xavier Lencou-Barème (Director until 30/05/2013)	15,000	0.05%

1. The share allotments were approved as part of a single plan at meetings of the Board of Directors held on 26 July 2012 (616,400 shares), 28 November 2012 (1,000 shares), 17 January 2013 (4,500 shares), 18 March 2013 (3,500 shares), 30 May 2013 (2,000 shares), 23 July 2013 (12,500 shares), 24 September 2013 (54,500 shares) and 17 December 2013 (15,000 shares).

2. The share allotments were divided into three equal tranches. Different performance conditions must be met to trigger the effective acquisition of each tranche.

3. Valuation on allocation based on IFRS 2.

4. The effective acquisition of the shares allotted on 26 July 2012 is subject to the following performance conditions being met:

- achievement, at any time during a six-month period starting on the expiry of a two-year period starting on the allotment date, a six-month moving average of the Albioma share closing price of €18.50 for the first tranche, €22.50 for the second tranche and €26.50 for the third tranche. In this event, the shares are acquired on the date on which, for each tranche allotted, the six-month moving average of the Albioma share closing price is reached during this period;
- the completion, at any time during a period of two years and six months starting on the allotment date, of a takeover bid for all of the Company's capital and voting rights, if the price offered per share is at least €18.50 for the first tranche, €22.50 for the second tranche and €26.50 for the third tranche. In this event, the shares are acquired on the later of the two following dates: either the date of the last delivery-versus-payment transaction relating to the takeover bid, or the expiry of a period of two years from the allotment date.

The effective acquisition of the bonus shares allotted to the Chairman and Chief Executive Officer is not subject to the obligation to acquire a specific number of the Company's shares on the market.

In view of the changes made to the rules of the bonus share plan by the Board of Directors at its meeting on 17 December 2013, accepted by all the relevant beneficiaries at the start of the 2014 financial year, the effective acquisition of the shares allotted after 26 July 2012 is subject to the following performance conditions being met:

- achievement, at any time during a six-month period starting on the expiry of a two-year period starting on the allotment date, a six-month moving average of the Albioma share closing price of €18.50 for the first tranche, €22.50 for the second tranche and €26.50 for the third tranche. In this event, the shares are acquired on the later of the two following dates: either the date on which, for each tranche allotted, the six-month moving average of the Albioma share closing price during this period is reached, or the expiry of a period of two years from the allotment date;
- the completion, at any time during the period between the allotment date and 26 January 2015, a takeover bid for all of the Company's capital and voting rights, if the price offered per share is at least €18.50 for the first tranche, €22.50 for the second tranche and €26.50 for the third tranche. In this event, the shares are acquired on the later of the two following dates: either the date of the last delivery-versus-payment transaction relating to the takeover bid, or the expiry of a period of two years from the allotment date.

5. Two years from the date of the effective acquisition of the shares, the Chairman and Chief Executive Officer being subject to the additional obligation to retain in his own name 25% of the shares definitively acquired until he stands down.

On the date on which this Registration Document was filed, in view of the additional share allotments granted to employees of the operating companies on 13 January 2014 (see section 7.4.1, page 194 of this Registration Document for details) the Board of Directors had noted that the remaining shares that had not been allotted as bonus shares would not subsequently be allotted (2,138 shares).

7.5. Factors likely to have an impact in the event of a public offering

7.4.3.2. Shares allotted to the ten employees, not corporate officers, with the highest number of shares in the course of the 2013 financial year

The total number of shares allotted during the 2013 financial year to the ten employees, not corporate officers, that had received the highest number of shares, was 67,000.

7.4.3.3. Shares definitively acquired

As at 31 December 2013 and on the date on which this Registration Document was filed, none of the performance conditions determining the effective acquisition of the bonus shares under the plan approved by the Ordinary and Extraordinary General Meeting of 14 March 2012 had been met (see section 7.4.3.1, page 196 of this Registration Document for details).

7.5. Factors likely to have an impact in the event of a public offering (Article L. 225-100-3 of the Commercial Code)**7.5.1. THE COMPANY'S CAPITAL STRUCTURE**

In view of the controlling interest held by Apax group entities, the structure of the Company's capital would potentially have an impact in the event of a public offering.

The structure of the Company's capital is described in section 7.3.1 page 188 of this Registration Document. Information about control of the Company is provided in section 7.3.2.1, page 188 of this Registration Document.

7.5.2. RESTRICTIONS IMPOSED BY THE ARTICLES OF ASSOCIATION ON THE EXERCISE OF VOTING RIGHTS AND SHARE TRANSFERS, CONTRACTUAL CLAUSES NOTIFIED TO THE COMPANY PURSUANT TO ARTICLE L. 233-11 OF THE COMMERCIAL CODE**7.5.2.1. Restrictions imposed by the Articles of Association on the exercise of voting rights and share transfers**

Not applicable.

7.5.2.2. Contractual clauses of which the Company has been notified pursuant to Article L. 233-11 of the Commercial Code

Not applicable (See explanations given in section 7.3.5, on page 189 of this Registration Document).

7.5.3. DIRECT OR INDIRECT PARTICIPATING INTERESTS IN THE COMPANY'S CAPITAL OF WHICH THE COMPANY IS AWARE PURSUANT TO ARTICLES L. 233-7 AND L. 233-12 OF THE COMMERCIAL CODE

The direct and indirect participating interests in the Company's capital of which the Company has been notified in application of Article L. 233-7 of the Commercial Code are described in section 7.3.2, page 188 of this Registration Document.

No direct or indirect participating interests have been notified to the Company in application of Article L. 233-12 of the Commercial Code (see explanations given in section 7.3.6.1 on page 189 of this Registration Document).

7.5.4. LIST OF THE HOLDERS OF ANY SECURITIES GRANTING SPECIAL RIGHTS OF CONTROL, AND A DESCRIPTION OF THESE

Not applicable.

7.5.5. CONTROL MECHANISMS PROVIDED FOR IN ANY EMPLOYEE SHAREHOLDING PLAN IF THE EMPLOYEES DO NOT EXERCISE CONTROLLING RIGHTS

Not applicable (See explanations given in section 6.2.1.3 on page 164 of this Registration Document).

7.5.6. AGREEMENTS BETWEEN SHAREHOLDERS, OF WHICH THE COMPANY IS AWARE, THAT MAY RESTRICT SHARE TRANSFERS OR THE EXERCISE OF VOTING RIGHTS.

Not applicable (See explanations given in section 7.3.5 on page 189 of this Registration Document).

7.5.7. RULES GOVERNING THE APPOINTMENT AND REPLACEMENT OF MEMBERS OF THE BOARD OF DIRECTORS AND AMENDMENT OF THE COMPANY'S MEMORANDUM AND ARTICLES OF ASSOCIATION

The rules governing the appointment and replacement of the members of the Board of Directors and the amendment of the Company's Memorandum and Articles of Association are set forth in the applicable legal and regulatory provisions and in the Memorandum and Articles of Association (whose key provisions, including those applicable to the appointment and replacement of the members of the Board of Directors and the amendment of the Company's Memorandum and Articles of Association, appear in full in section 7.1, page 178 of this Registration Document) and the Company's Internal Regulations (whose full text appears in section 2.2.4.3, page 55 of this Registration Document).

7.5.8. POWERS OF THE BOARD OF DIRECTORS, IN PARTICULAR TO ISSUE AND BUY BACK SHARES

The powers of the Board of Directors are set forth in the applicable legal and regulatory provisions and in the Memorandum and Articles of Association (whose key provisions, including those applicable to the powers of the Board of Directors, appear in full in section 7.1, page 178 of this Registration Document) and the Company's Internal Regulations (whose full text appears in section 2.2.4.3, page 55 of this Registration Document).

The powers of the Board of Directors are also described in section 2.2.4 on page 47 of this Registration Document.

The powers granted to the Board of Directors to increase or reduce the share capital and to trade in the Company's shares as part of share buyback programmes are described in section 7.2.2.2, page 184 of this Registration Document.

7 • LEGAL INFORMATION, CAPITAL AND SHARE OWNERSHIP

7.6. Albioma shares

7.5.9. AGREEMENTS CONCLUDED BY THE COMPANY THAT ARE AMENDED OR TERMINATED IN THE EVENT OF A CHANGE OF CONTROL OF THE COMPANY, EXCEPT WHERE SUCH DISCLOSURE, OTHER THAN IN CASES OF MANDATORY DISCLOSURE, WOULD SERIOUSLY HARM THE COMPANY'S INTERESTS

Some of the loan agreements entered into by the Company that were in force as at 31 December 2013 include standard clauses authorising the lender to demand accelerated repayment of the sums lent in the event of a change of control of the Company.

7.5.10. AGREEMENTS PROVIDING FOR SEVERANCE PAYMENTS TO BE MADE TO THE MEMBERS OF THE BOARD OF DIRECTORS OR TO EMPLOYEES IF THEY RESIGN OR ARE DISMISSED WITHOUT JUST CAUSE OR IF THEIR JOBS ARE ELIMINATED AS A RESULT OF A PUBLIC OFFERING

There is no agreement in place that provides for severance payments to be made to the members of the Board of Directors (other than the Chairman and Chief Executive Officer) or to employees if they resign or are dismissed without just cause or if their jobs are eliminated as a result of a public offering.

Information concerning the remuneration of the Chairman and Chief Executive Officer and, in particular, information about severance pay and commitments relating to his standing down from office is provided in section 2.3.6, page 68 of this Registration Document.

7.6. Albioma shares

7.6.1. DATASHEET

Code ISIN	FR0000060402
Code prime de fidélité 2016 ¹	FR0011643998
Mnémonique	ABIO ²
Par value	€0.0385
Market of listing	NYSE – Euronext Paris, Compartiment B
Deferred settlement service	Eligible
French Equity Savings Plan-SME (PEA-PME ³)	Eligible

1. Shares eligible for the increased dividend payable in 2016 in respect of the 2015 financial year. See explanations given in section 7.6.3.3 on page 200 of this Registration Document.

2. Since the meeting of the Ordinary and Extraordinary General Meeting of 30 May 2013 approving the change of the Company's name. The previous stock code was SECH.

3. On the date on which this Registration Document was filed, Albioma shares fulfilled the eligibility conditions for the equity savings plan regime for financing small and medium enterprises and midcap companies (PEA-PME) set up pursuant to finance law no. 2013-1278 of 29 December 2013 for 2014 (Articles L. 221-32-1 to 3 and D. 221-113-1 to 7 of the Monetary and Financial Code).

7.6.2. STOCK MARKET PRICE

7.6.2.1. Market overview of Albioma stock

2012

	Price in euros			Average daily volume (in number of securities)	Daily average trades (in euros)
	High	Low	Average		
January	13.08	10.62	11.84	48,481	584,353
February	13.35	12.20	12.71	42,692	541,328
March	13.57	12.30	13.14	35,630	468,132
April	12.84	11.11	11.73	26,470	311,422
May	11.36	10.63	11.00	19,113	210,628
June	11.28	10.25	10.76	18,761	202,425
July	11.24	9.85	10.54	19,138	201,282
August	11.05	10.09	10.55	23,404	247,324
September	12.68	11.14	11.87	34,490	412,285
October	13.30	12.18	12.68	36,210	461,341
November	13.37	12.50	12.89	26,112	335,706
December	14.47	12.53	13.37	32,876	447,558

2013

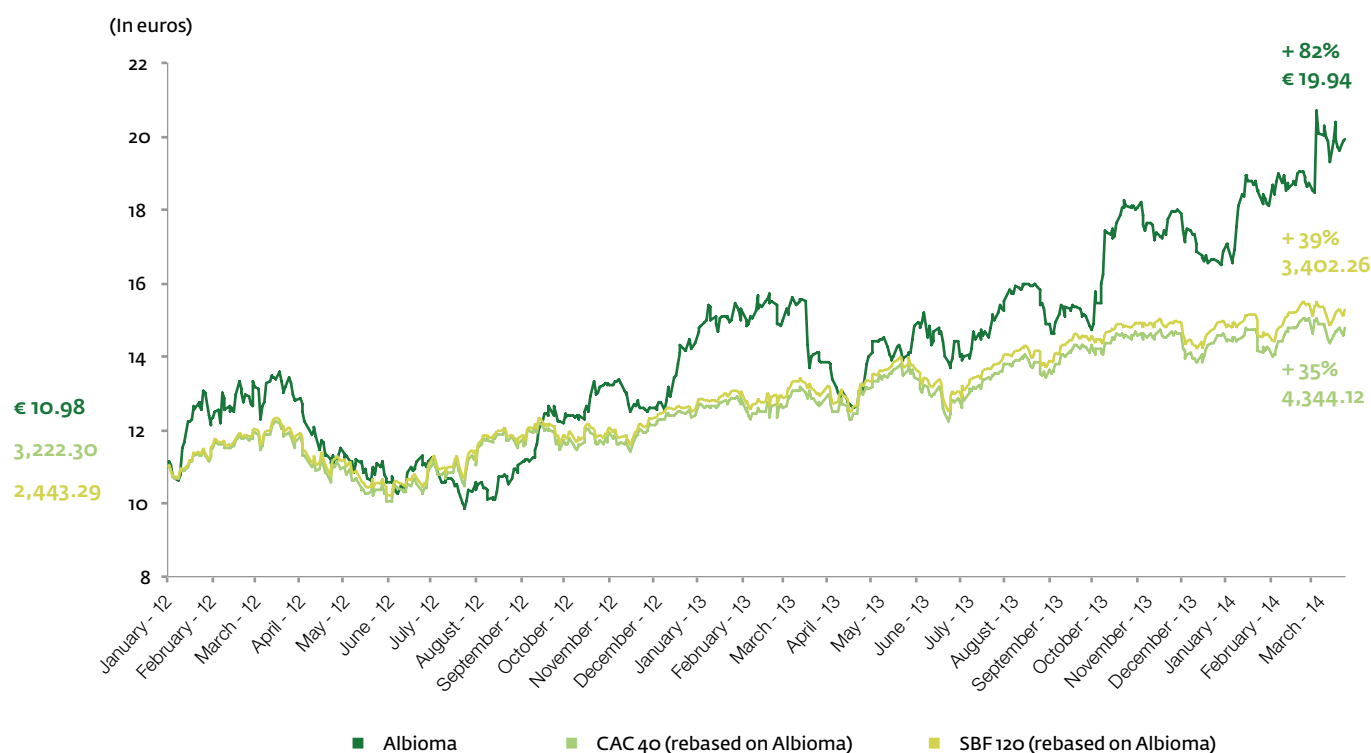
	Price in euros			Average daily volume (in number of securities)	Daily average trades (in euros)
	High	Low	Average		
January	15.44	14.70	15.05	37,695	566,958
February	15.70	14.81	15.24	25,812	393,515
March	15.61	13.70	14.84	44,920	656,311
April	13.99	12.62	13.15	24,084	317,516
May	14.82	13.88	14.23	24,540	348,320
June	15.18	13.68	14.49	22,024	320,560
July	15.40	13.92	14.57	26,734	393,843
August	15.99	14.86	15.72	31,617	492,859
September	15.42	14.60	15.11	18,784	283,474
October	18.27	14.74	17.08	61,892	1,056,354
November	18.20	17.16	17.64	20,163	355,237
December	17.90	16.49	16.99	15,065	255,609

2014 (figures as at 25 March 2014)

	Price in euros			Average daily volume (in number of securities)	Daily average trades (in euros)
	High	Low	Average		
January	18.94	16.56	18.07	32,444	581,751
February	19.04	18.40	18.75	13,985	261,600
March	20.68	18.45	19.83	38,196	758,064

7.6.2.2. Change in stock price since 2012 (figures as at 25 March 2014)

Change in the Albioma share price between 2 January 2012 and 25 March 2014 and change in comparison to the CAC 40 and SBF 120 indices



7 • LEGAL INFORMATION, CAPITAL AND SHARE OWNERSHIP

7.6. Albioma shares

7.6.3. DIVIDEND

7.6.3.1. Dividend policy

In 2012 the Group announced a dividend policy whereby it would distribute the equivalent of 50% of its net income, Group share, excluding capital gains on disposals, retroactivity and exceptional items. Under this policy, the Group proposed to the General Meeting a constantly increasing dividend and offered its shareholders the possibility of receiving payment of 50% of the dividend in new shares.

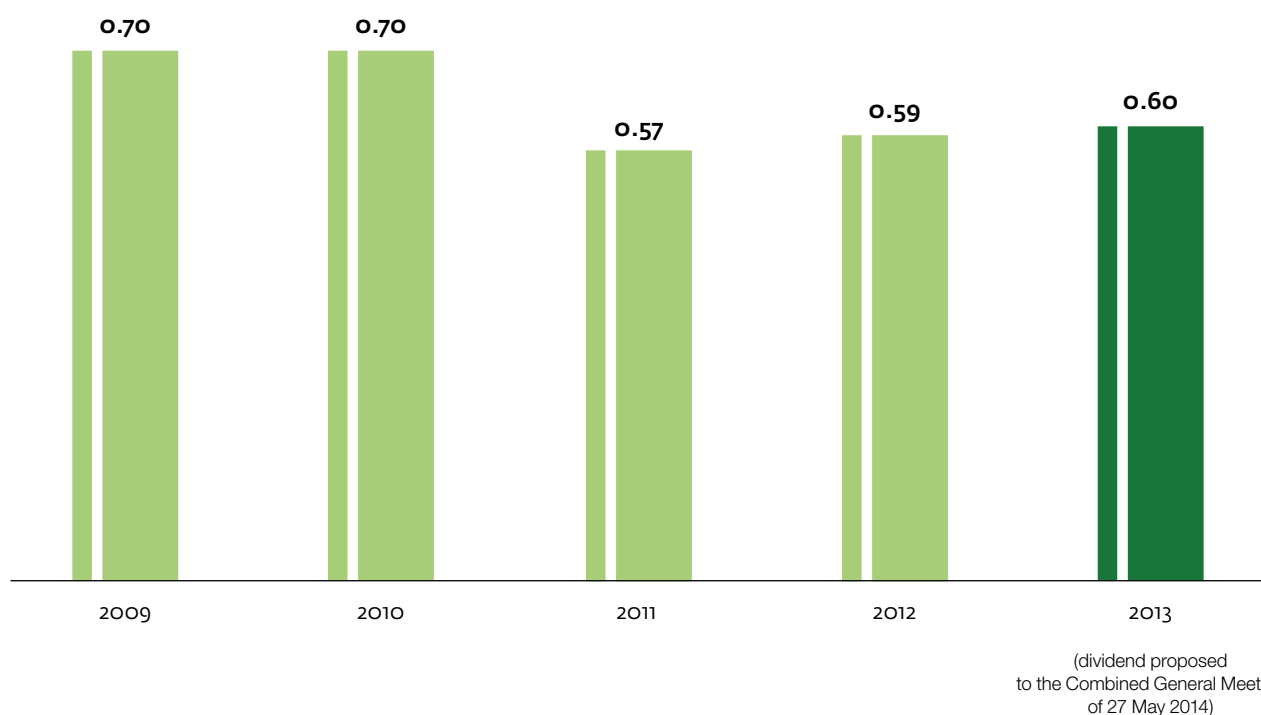
The proposal made to the Combined General Meeting of 27 May 2014 of a €0.60 dividend per share, with the option of receiving 50% of the dividend in new shares, is in line with the ongoing dividend policy introduced by the Group (See explanations given in the Board of Directors' report for the Ordinary and Extraordinary General Meeting of 27 May 2014 in section 8.2 on page 204 of this Registration Document).

Moreover, Article 45 of the Memorandum and Articles of Association guarantees the shareholders a minimum dividend, known as the first dividend, as soon as the profit made in a given financial year and the Company's balance sheet structure allow it, pursuant to the applicable provisions of the law, the regulations and the Memorandum and Articles of Association (the full text of this article appears in section 7.1.2.3, page 180 of this Registration Document). This dividend is calculated as follows:

- deduction from the distributable profit (net profit for the year, less losses carried forward, and sums to be transferred to reserves in application of the law, plus retained earnings) of an amount equal to 6% of the sums whose shares are paid up and not redeemed;
- deduction from the distributable profit of an amount equal to 6% of any sums deriving from premiums for shares issued in cash and held on an additional paid-in capital account.

If the profit for one financial year is not sufficient to pay this first dividend, the shareholders shall not be able to claim it from the profit in subsequent years.

7.6.3.2. Change in the dividend (2009 to 2013 financial years)



7.6.3.3. Shareholder loyalty: bonus dividend

Albioma sets great store by fostering the loyalty of its shareholders, whom it wished to involve in long-term value creation.

The Ordinary and Extraordinary General Meeting of 30 May 2013 thus approved the shareholder loyalty programme proposed to it by the Board of Directors and, as a result, amended Article 45 of the Memorandum and Articles of Association (the full text of this article appears in section 7.1.2.3, page 180 of this Registration Document).

The loyalty bonus is reserved for shareholders that have been registered for an uninterrupted period of two years or more starting from 1 January 2014. It takes the form of a 10% increase in the dividend payable, rounded down to the next cent. This bonus shall also apply if a dividend is paid in shares: in such cases, shareholders that registered within the prescribed time shall receive a larger dividend, which they may choose to reinvest in shares under the option of receiving 50% of their dividend in shares.

The loyalty bonus shall be available both to holders of “direct” and “administered” registered shares. However, shareholders that decide to retain bearer shares shall not be eligible for this bonus. To qualify for a given calendar year, shareholders must be registered as direct registered or administered registered shareholders by 15 December of the previous year.

Shareholders that are able to demonstrate uninterrupted direct or administered registration between 1 January 2014 and 31 December 2015 will therefore be eligible in 2016 for an increased dividend for the 2015 financial year, provided that they are still registered as shareholders on the date the positions are calculated (also known as the record date; this date is usually one or two days after the date of the General Meeting that approved the dividend).

The number of each shareholder’s shares that are eligible for the loyalty bonus may not exceed 0.5% of the capital.

Since the beginning of 2014, shares eligible for the increased dividend payable in 2016 in respect of the 2015 financial year have been identified by a special code (FR0011643998). This code will become the permanent identification code for shares eligible for the increased dividend. With effect from 2015, a special new identification code will be created, which will change to the permanent identification code after two years. From 2016 onward, there will therefore be three identification codes in existence for identifying shares eligible for the increased dividend (a permanent identification code and two temporary identification codes relating to the shares for which the two year period is still being calculated). These special identification codes do not affect the ISIN code for the Albioma share (FR0000060402), which will remain the only identification code visible on NYSE Euronext Paris and can always be used when trading on this market.

7.6.3.4. Limitation period for dividends

The limitation period for dividends is five years. Dividends still unclaimed after that time shall be deposited automatically with the *Caisse des Dépôts et Consignations*.

7.7. Financial communication and shareholder relations

Albioma strives to constantly improve the quality of its financial communication and to encourage dialogue with its shareholders and with French and foreign investors.

7.7.1. ALBIOMA.COM

In tandem with its change of name, in July 2013 Albioma launched its new website www.albioma.com.

Completely overhauled for ease of navigation and for optimised viewing on smartphones and tablets, since 5 March 2013 the Group’s website has been administered in three languages (French, English and Brazilian Portuguese).

The website is an information and discovery space designed to help investors keep abreast of the Group’s news. The *Keep Informed* module also makes it possible to receive the most recent news posted online by email.

7.7.2. LETTER TO SHAREHOLDERS

Two or three times a year Albioma publishes a letter to shareholders, which is sent personally to each registered shareholder and posted online in the Shareholders area of the Company’s website as soon as it is available. It reviews the implementation of the Group’s strategy, its results and stock price performance, and focuses on the year’s highlights.

7.7.3. NUMEROUS MEETINGS WITH FINANCE INDUSTRY PLAYERS

Once a year, Albioma organises a meeting to present its results. At these meetings the Company sets out its results as well as its medium-term strategy for the benefit of French and foreign analysts and investors. Half-yearly results are usually presented in the form of a conference call, a recording of which is posted on the Company’s website. All the documents presented on these occasions are posted online the very same day on the Company’s website.

Other events, in person or by telephone, may be organised depending on the Group’s news. In such cases Albioma always strives to ensure equal treatment of shareholders by posting the relevant documents online immediately.

Moreover, Albioma meets regularly with players in the finance industry and frequently meets French and foreign institutional investors at road shows or individual meetings held in France or abroad.

7.7.4. ACTIONARIA FAIR: ALBIOMA MEETS ITS INDIVIDUAL SHAREHOLDERS

On 22 and 23 November Albioma was present for the second time at the *Salon Actionaria*, at the Paris Palais des Congrès. Over two days, several hundred shareholders and passers-by were able to talk in a relaxed environment to the Group’s staff, including the Chairman and Chief Executive Officer, and to gain a better overview of the Group’s activities and its medium and long-term strategic ambitions. These discussions are a continuous source of information. Albioma plans to take part in the 2014 *Salon Actionaria*.

7.7.5. CONTACTS

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7.7.6. 2014 FINANCIAL CALENDAR

05/03/2014 (pre-trading)	Annual results for 2013
29/04/2014 (after trading)	First quarter 2014 revenue
27/05/2014 (after trading)	Annual General Meeting of the Shareholders
22/07/2014 (after trading)	First half 2014 results
28/10/2014 (after trading)	Third quarter 2014 revenue

A major player in Solar Power in France's overseas departments, for the last 10 years Albioma has made the most of the exceptionally sunny conditions in its traditional areas of operation to develop this complementary offering.

Photovoltaic plant in Mamoudzou, Mayotte

8 • ORDINARY AND EXTRAORDINARY GENERAL MEETING

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8 • ORDINARY AND EXTRAORDINARY GENERAL MEETING OF 27 MAY 2014

8.1. AGENDA

The General Meeting will be held on 27 May 2014 at 3 p.m., in the auditorium of the Centre de Conférences Capital 8, 32 rue de Monceau, 75008 Paris.

8.1. Agenda

8.1.1. ORDINARY MEETING

- Approval of the Company financial statements for the financial year ended 31 December 2013
- Approval of the consolidated financial statements for the financial year ended 31 December 2013
- Appropriation of income and setting of the dividend for the financial year ended 31 December 2013
- Option for payment of the dividend for the financial year ended 31 December 2013 in new shares
- Opinion on the remuneration due or awarded for the financial year ended 31 December 2013 to Mr Jacques Pétry, Chairman and Chief Executive Officer
- Approval of the agreements and commitments governed by the provisions of Articles L. 225-38 and L. 225-42-1 of the Commercial Code
- Renewal of Mr Michel Bleitrach's appointment as a Director
- Ratification of the transfer of the registered office
- Setting the maximum total amount of directors' fees that may be allocated to Directors
- Grant of authorisation to the Board of Directors to allow the Company to buy back its own shares within the framework of a share buyback programme

8.1.2. EXTRAORDINARY MEETING

- Grant of authorisation to the Board of Directors to reduce the Company's capital by cancelling shares purchased by the Company within the framework of a share buyback programme
- Delegation of authority to the Board of Directors to decide to issue, with maintenance of preferential subscription rights, ordinary shares and/or securities giving immediate or subsequent access to capital and/or debt securities
- Delegation of authority to the Board of Directors to decide to issue, by means of a public offering with waiver of preferential subscription rights, ordinary shares and/or securities giving immediate or subsequent access to capital and/or debt securities
- Delegation of authority to the Board of Directors to decide to issue, by means of an offering referred to in Article L. 411-2(II) of the Monetary and Finance Code, with waiver of preferential subscription rights, ordinary shares and/or securities giving immediate or subsequent access to capital and/or debt securities
- Delegation of authority to the Board of Directors to decide to increase the amount of the issues undertaken, with maintenance or waiver of preferential subscription rights, in the case of surplus demand, pursuant to the fourteenth, fifteenth and sixteenth resolutions
- Grant of authorisation to the Board of Directors to set the price of issues by means of a public offering or an offering referred to in Article L. 411-2(II) of the Monetary and Finance Code of ordinary shares or securities, with waiver of preferential subscription rights, within a limit of 10% of the capital

- Delegation of powers to the Board of Directors to issue ordinary shares and/or securities giving immediate or subsequent access to capital to remunerate contributions in kind made to the Company, within a limit of 10% of the capital
- Delegation of authority to the Board of Directors to decide to issue ordinary shares and/or securities giving immediate or subsequent access to capital to remunerate contributions of securities pursuant to a public exchange offer
- Delegation of authority to the Board of Directors to decide to issue ordinary shares and/or securities giving immediate or subsequent access to capital to members of Company or Group savings plans, with waiver of preferential subscription rights
- Delegation of authority to the Board of Directors to decide to increase the capital by capitalising premiums, reserves, profit or other sums eligible for capitalisation
- Grant of authorisation to the Board of Directors to allot existing or new bonus shares to employees and corporate officers of the Company and related companies
- Amendment to Article 32 of the Memorandum and Articles of Association relating to the organisation of General Meetings
- Amendment to Article 38 of the Memorandum and Articles of Association relating to the powers of Ordinary General Meetings
- Powers to carry out formalities

8.2. Draft resolutions and report of the Board of Directors for the Ordinary and Extraordinary General Meeting of 27 May 2014

8.2.1. RESOLUTIONS PUT TO THE ORDINARY GENERAL MEETING

8.2.1.1. Resolutions 1, 2 and 3: approval of Company and consolidated financial statements for the financial year ended 31 December 2013, appropriation of income and setting of the dividend for the financial year ended 31 December 2013

Explanation

The first and second resolutions are designed to approve the Company and consolidated financial statements for the 2013 financial year. The Company's Statutory Auditors have produced the reports set out in sections 5.5 and 4.7, pages 160 and 137 of the Registration Document for the 2013 financial year in relation to these financial statements.

The Company financial statements for the 2013 financial year record a net profit of €17,914 thousand, compared to €18,110 thousand for the 2012 financial year. They are set out in full in section 5, page 139 of the Registration Document for the 2013 financial year.

The consolidated financial statements for the 2013 financial year record a net income, Group share, of €42,596 thousand, compared to €33,455 thousand for the 2012 financial year. They are set out in full in section 4, page 95 of the Registration Document for the 2013 financial year.

8.2. Draft resolutions and Report of the Board of Directors for the Ordinary and Extraordinary General Meeting of 27 May 2014

The third resolution relates to the appropriation of income for the 2013 financial year and the setting of the dividend. The Board of Directors, in line with the policy announced in 2012 (distribution of the equivalent of 50% of the net income, Group share, excluding disposal gains, retroactivity and resources needed to finance new projects), proposes a dividend of €0.60 per share to the General Meeting, compared to €0.59 for the 2012 financial year.

If the General Meeting approves the proposed amount, the shares will go ex-dividend on 5 June 2014 and the dividend will be paid on 2 July 2014.

The General Meeting is also asked, in the form of the fourth resolution, to grant shareholders an option to receive payment of 50% of the dividend in the form of new Company shares.

The dividend is eligible for the 40% tax allowance pursuant to Article 158(3)(2) of the Tax Code in accordance with the terms, conditions and limits laid down by applicable laws and regulations.

The Board of Directors invites shareholders to approve these resolutions.

First resolution – Approval of the Company financial statements for the financial year ended 31 December 2013

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings,

and having taken note of the following:

- the management report of the Board of Directors for the financial year ended 31 December 2013 and the report of the Board of Directors for the General Meeting,
- the report of the Statutory Auditors on the company financial statements for the financial year ended 31 December 2013,

approves the company financial statements for the financial year ended 31 December 2013 as drawn up and presented to it, together with the transactions reflected in these financial statements and summarised in these reports, showing a net profit of €17,914,302.46,

and, pursuant to the provisions of Article 223 *quater* of the Tax Code, notes the absence of any of the expenses and charges referred to in Article 39(4) of the Tax Code, which are non-deductible from taxable income for the financial year ended 31 December 2013.

Second resolution – Approval of the consolidated financial statements for the financial year ended 31 December 2013

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings,

and having taken note of the following:

- the management report of the Board of Directors for the financial year ended 31 December 2013 and the report of the Board of Directors for the General Meeting,
- the report of the Statutory Auditors on the consolidated financial statements for the financial year ended 31 December 2013,

approves the consolidated financial statements for the financial year ended 31 December 2013 as drawn up and presented to it, together with the transactions reflected in these financial statements and summarised in these reports, showing a net income, Group share, of €42,596 thousand.

Third resolution – Appropriation of income and setting of the dividend for the financial year ended 31 December 2013

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings,

and having taken note of the management report of the Board of Directors for the financial year ended 31 December 2013 and the report of the Board of Directors for the General Meeting,

resolves, as recommended by the Board of Directors, to appropriate the profit for the financial year ended 31 December 2013, amounting to €17,914,302.46, as set out below:

Origin of the sums available for appropriation (in euros)	
Net profit for the period	17,914,302.46
Retained earnings brought forward	87,412,074.58
Total	105,326,377.04
Appropriations (in euros)	
Legal reserve	2,061.50
Payment of a dividend of €0.60 per share	17,465,823.60
Retained earnings	87,858,491.94
Total	105,326,377.04

notes that:

- these amounts are calculated on the basis of the number of shares comprising the capital and the number of treasury shares held under the liquidity contract as at 31 December 2013, and may be adjusted to take into account any differences in the number of shares comprising the capital and the number of treasury shares held under the liquidity contract on the ex-dividend date,
- the distributable profit corresponding to the dividend not paid on treasury shares will be reposted as retained earnings,

sets, accordingly, the dividend payable on each share with dividend rights at €0.60,

sets the ex-dividend date at 5 June 2014 and resolves that the dividend will be paid on 2 July 2014,

notes that this dividend is eligible for the 40% tax allowance pursuant to Article 158(3)(2) of the Tax Code in accordance with the terms, conditions and limits laid down by applicable laws and regulations,

and notes that the following dividends have been distributed in the last three financial years:

Financial year	Total amount distributed	Net dividend per share	Tax allowance pursuant to Article 158(3)(2) of the Tax Code
2010	19,912,652	0.70	40%
2011	16,152,572	0.57	40%
2012	16,860,692	0.59	40%

8.2. Draft resolutions and Report of the Board of Directors for the Ordinary and Extraordinary General Meeting of 27 May 2014

8.2.1.2. Resolution 4: option for payment of the dividend for the financial year ended 31 December 2013 in new shares

Explanation

The fourth resolution relates to the implementation of an option for payment of 50% of the dividend to be distributed in the 2013 financial year, in new Company shares.

This proposal falls within the scope of the distribution policy implemented by the Group since 2012.

If the General Meeting approves this proposal, shareholders will have the right to opt for payment of 50% of the €0.60 dividend distributed pursuant to the third resolution, i.e. €0.30 per share, in cash or new shares.

The option may only be exercised for the entire fraction of the dividend to which the option refers, i.e. 50% of the dividend. It must be exercised between 5 June 2014 and 20 June 2014 inclusive. The procedure for exercising the option is different for holders of direct registered shares and for holders of administered registered shares and bearer shares.

- For holders of direct registered shares, the option must be exercised by submitting a request to the Company's registered share registrar (BNP Paribas Securities Services).
- For holders of administered registered shares or bearer shares, the option must be exercised by submitting a request directly to the financial intermediary in charge of the shareholder's securities account.

At the end of the option period, any shareholders who have not opted to receive 50% of their dividend in new shares will receive payment of the entire dividend in cash, i.e. €0.60 per share.

Accordingly, this option allows shareholders who so wish to reinvest one half of their dividend in new shares, at a pre-determined price. The issue price of the new shares that will be issued in payment of the dividend will correspond to 90% of the average price quoted on the regulated NYSE Euronext Paris market in the twenty trading days prior to the distribution decision date, less the net dividend amount, and the amount resulting from this formula will be rounded up to the next cent. This price will be set by the Board of Directors, prior to the General Meeting. If, on the basis of this price, the amount of the dividend to which a shareholder is entitled does not correspond to a whole number of shares, the shareholder may obtain the lower number of shares plus a cash balance.

Shares issued in payment of the dividend will be delivered on 2 July 2014, on the same day as payment of the cash dividend. Dividend and other rights will accrue from 1 January 2014.

The Board of Directors invites shareholders to approve this resolution.

Fourth resolution – Option for payment of the dividend for the financial year ended 31 December 2013 in new shares

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings,

and having taken note of the report of the Board of Directors for the General Meeting,

and noting that the share capital is fully paid-up,

resolves, in accordance with Article 46 of the Company's Memorandum and Articles of Association, to grant each shareholder the option to receive 50% of the distributable dividend of €0.60 per share, i.e. €0.30 per share, in cash or in new shares, with the remaining 50% payable in cash,

resolves that:

- the option may only be exercised for the entire fraction of the dividend, i.e. 50 %, to which it refers and for which the shareholder has decided to exercise the option,
- this option must be exercised by the shareholder between 5 June 2014 and 20 June 2014 inclusive, by submitting a request to the relevant financial intermediary for administered registered shares and bearer shares and to the Company's Registrar (BNP Paribas Securities Services) for direct registered shares. On expiry of this deadline, shareholders who have not opted to receive payment of 50% of their dividend in shares will receive full payment in cash,
- the issue price of the new shares to be issued in payment of the dividend will correspond to 90% of the average price quoted on the regulated NYSE Euronext Paris market in the twenty trading days prior to the distribution decision date, less the net dividend amount, and the amount resulting from this formula will be rounded up to the next cent,
- the settlement-delivery of the shares to be issued in payment of the dividend will take place on the same day as payment of the cash dividend, i.e. on 2 July 2014, and dividend and other rights will accrue from 1 January 2014,
- if the amount of the dividend to which a shareholder is entitled does not correspond to a whole number of shares, the shareholder may obtain the lower number of shares plus a cash balance paid by the Company,

and grants full powers to the Board of Directors, with the power to sub-delegate pursuant to applicable laws and regulations, to pay the dividend in shares, and in particular to carry out all formalities and file all statements, record the number of shares issued and the subsequent capital increase, request their admission for trading on the regulated NYSE Euronext Paris market, amend the Memorandum and Articles of Association accordingly, and, more generally, to do whatever is necessary and appropriate.

8.2. Draft resolutions and Report of the Board of Directors for the Ordinary and Extraordinary General Meeting of 27 May 2014

8.2.1.3. Resolution 5: opinion on the remuneration due or awarded for the financial year ended 31 December 2013 to Mr Jacques Pétry, Chairman and Chief Executive Officer

Explanation

The fifth resolution is submitted to the General Meeting pursuant to the new provisions of section 24.3 of the AFEP-MEDEF Code, as amended in June 2013, which recommends that shareholders should be consulted in relation to the remuneration due or awarded to executive directors in the previous financial year.

Shareholders are invited to have their say in the form of an advisory resolution. If the General Meeting votes against the resolution submitted to it, the Board of Directors, based on the recommendations of the Nomination and Remuneration Committee, will discuss and vote on this matter at one of its next meetings and the Company will immediately announce the action the Board of Directors intends to take following the vote against the resolution in a press release to be published on the Company's website.

Shareholders are asked to vote on the remuneration due or awarded for the financial year ended 31 December 2013 to the Chairman and Chief Executive Officer, the Company's only executive director. This therefore constitutes an *ex-post* vote on:

- the remuneration due for the 2013 financial year, meaning the cash remuneration earned by the Chairman and Chief Executive Officer that is certain, both in terms of his entitlement and the amount, whether or not paid;
- the remuneration awarded for the 2013 financial year, that is, remuneration in the form of securities and/or cash, the award of which is agreed but whose amount and/or the number of securities are unknown at the time of implementation or award and which, accordingly, can only be estimated, where applicable.

The remuneration due or awarded to Mr Jacques Pétry for the 2013 financial year is presented in more detail in section 2.3, pages 61 to 70 of the Registration Document for the 2013 financial year. Pursuant to the Application Guide of the AFEP-MEDEF's Code of Corporate Governance for Listed Corporations published in January 2014 by the *Haut Comité de Gouvernement d'Entreprise*, (High Corporate Governance Committee) the remuneration which shareholders are required to vote on is summarised below.

Remuneration due or awarded for the 2013 financial year	Amounts or estimates put to the vote (in € thousand)	Disclosure
Fixed remuneration	400.00	Information on the fixed component of the Chairman and Chief Executive Officer's remuneration for the 2013 financial year and changes in this remuneration can be found in section 2.3.2, pages 61 onwards of the Registration Document for the 2013 financial year.
Variable annual remuneration	400.00	Information on the variable component of the Chairman and Chief Executive Officer's remuneration for the 2013 financial year, the quantitative and qualitative criteria used to fix this amount and the cap on the qualitative component, can be found in section 2.3.2, pages 61 onwards of the Registration Document for the 2013 financial year.
Variable deferred remuneration	n/a	No variable deferred remuneration
Variable multi-year remuneration	n/a	No variable multi-year remuneration
Exceptional remuneration	n/a	No exceptional remuneration
Options to subscribe or purchase shares, performance-related shares or any other long-term remuneration	n/a	No stock options or bonus shares were awarded during the 2013 financial year (information on stock option plans and bonus share awards as at 31 December 2013 can be found in sections 2.3.4 and 2.3.5, pages 65 and 67 of the Registration Document for the 2013 financial year).
Directors' fees	n/a	The Chairman and Chief Executive Officer is not entitled to directors' fees.
Value of benefits in kind	20.73	Information on the benefits in kind granted to the Chairman and Chief Executive Officer for the 2013 financial year can be found in section 2.3.2, pages 61 onwards of the Registration Document for the 2013 financial year.

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Remuneration due or awarded for the 2013 financial year to be voted on or already voted on by the General Meeting under the procedure for regulated agreements and commitments	Amounts put to the vote (in € thousand)	Disclosure
Severance payment	–	<p>Information on the severance payment potentially payable to Mr Jacques Pétry if he is removed from the office of Chairman and Chief Executive Officer or his appointment is not renewed can be found in section 2.3.6, pages 68 onwards of the Registration Document for the 2013 financial year.</p> <p>The General Meeting is asked to vote on the special report of the Statutory Auditors, on the terms and conditions of this severance payment bearing in mind the Board of Directors' reauthorisation of this payment at its meeting of 30 May 2013, in the context of Mr Jacques Pétry's re-appointment as Chairman and Chief Executive Officer (sixth resolution).</p> <p>The General Meeting is also required to vote on the special report of the Statutory Auditors, on the amendment made by the Board of Directors to the terms and conditions of this severance payment at its meeting of 4 March 2014 with a view, in particular, to ensuring compliance with the provisions of the AFEP-MEDEF Code, recommending that the performance conditions required to be met for the payment of such severance payment be assessed over a period of at least two financial years (seventh resolution).</p>
Compensation payable under a non-compete clause	–	<p>Information on compensation under a non-compete clause potentially payable to Mr Jacques Pétry if he is removed from the office of Chairman and Chief Executive Officer or his appointment is not renewed can be found in section 2.3.6, pages 68 onwards of the Registration Document for the 2013 financial year.</p> <p>The General Meeting is asked to vote on the special report of the Statutory Auditors, on the terms and conditions of this non-compete clause bearing in mind the Board of Directors' reauthorisation of this clause at its meeting of 30 May 2013, in the context of Mr Jacques Pétry's re-appointment as Chairman and Chief Executive Officer (sixth resolution).</p>
Supplementary retirement plan	n/a	No supplementary retirement plan

The Board of Directors invites shareholders to adopt this resolution.

Fifth resolution – Opinion on the remuneration due or awarded for the financial year ended 31 December 2013 to Mr Jacques Pétry, Chairman and Chief Executive Officer

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings,

consulted pursuant to the provisions of section 24.3 of the latest version of the Code of Corporate Governance for Listed Companies published by AFEP and MEDEF in June 2013,

and having taken note of the report of the Board of Directors for the General Meeting,

votes in favour of the remuneration due or awarded for the financial year ended 31 December 2013 to Mr Jacques Pétry, Chairman and Chief Executive Officer, as presented in section 2.3 of the Registration Document for the financial year ended 31 December 2013 and as recorded in the report of the Board of Directors for the General Meeting set out in section 8.2 of the said Registration Document.

8.2.1.4. Resolutions 6, 7 and 8: approval of the agreements and commitments governed by the provisions of Articles L. 225-38 and L. 225-42-1 of the Commercial Code

Explanation

The sixth, seventh and eighth resolutions relate to the approval of "regulated" agreements and commitments governed by the provisions of Articles L. 225-38 and L. 225-42-1 of the Commercial Code.

The agreements and commitments submitted to the General Meeting for approval are the subject of a report of the Statutory Auditors set out in section 2.8.2, page 79 of the Registration Document for the 2013 financial year.

The sixth resolution relates to the approval of the Board of Directors' reauthorisation of the terms and conditions of the severance payment potentially payable to Mr Jacques Pétry and the non-compete clause binding on him, if he is removed from the office of Chairman and Chief Executive Officer or his appointment is not renewed. The Board of Directors decided to renew this commitment at its meeting of 30 May 2013, when Mr Jacques Pétry's appointment as Chairman of the Board of Directors and Chief Executive Officer was renewed.

8.2. Draft resolutions and Report of the Board of Directors for the Ordinary and Extraordinary General Meeting of 27 May 2014

The Board of Directors invites shareholders to approve this resolution, on the understanding that Mr Jacques Pétry will not take part in the vote on this resolution.

The seventh resolution relates to the approval of the amendments to the terms and conditions of the severance payment potentially payable to Mr Jacques Pétry and of the non-compete clause binding on him if he is removed from the office of Chairman and Chief Executive Officer or his appointment is not renewed. The Board of Directors decided to amend this commitment at its meeting of 4 March 2014 with a view, in particular, to ensuring compliance with the provisions of the AFEP-MEDEF Code, which recommends that the performance conditions required to be met for the payment of the severance payment should be assessed over a period of at least two financial years. In this context, the Board of Directors confirmed all of its resolutions adopted on 21 October 2011, confirmed by its resolutions adopted on 30 May 2013, setting the terms and conditions of the severance payment and non-compete clause of Mr Jacques Pétry, with the sole exception of the "Performance conditions" paragraph, which has been replaced by the following paragraph:

"In accordance with the provisions of Article L. 225-42-1 of the Commercial Code, Mr Jacques Pétry will only be entitled to receive the all-inclusive severance payment mentioned above if the amounts due to Mr Jacques Pétry in respect of the variable component of his remuneration for the two previous financial years preceding the date of his removal from the office of Chief Executive Officer or Chairman and Chief Executive Officer or the date on which his appointment was not renewed, correspond on average, to 50% or more of the maximum amount of the variable component that may be awarded for the said financial years."

The Board of Directors invites shareholders to approve this resolution, on the understanding that Mr Jacques Pétry will not take part in the vote on this resolution.

The eighth resolution notes the fact that the Board of Directors has not authorised any [regulated] agreement or commitment during the 2013 financial year, other than those referred to in the sixth and seventh resolutions.

The Board of Directors invites shareholders to approve this resolution.

Sixth resolution – Approval of the Board of Directors' reauthorisation of a commitment governed by Article L. 225-42-1 of the Commercial Code, relating to the severance payment potentially payable to Mr Jacques Pétry and the non-compete clause binding on him if he is removed from the office of Chairman and Chief Executive Officer or his appointment is not renewed

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings,

and having taken note of the following:

- the report of the Board of Directors for the General Meeting,
- the special report of the Statutory Auditors on the agreements and commitments governed by Article L. 225-38 *et seq.* of the Commercial Code,

approves the Board of Directors' reauthorisation of the terms and conditions of the severance payment potentially payable to Mr Jacques Pétry and the non-compete clause binding on him if he is removed from the office of Chairman and Chief Executive Officer or his appointment is not renewed, as decided at its meeting of 30 May 2013 and presented in the special report of the Statutory Auditors on the agreements and commitments governed by Article L. 225-38 *et seq.* of the Commercial Code.

Seventh resolution – Approval of the amendment to a commitment governed by Article L. 225-42-1 of the Commercial Code, relating to the severance payment potentially payable to Mr Jacques Pétry and the non-compete clause binding on him if he is removed from the office of Chairman and Chief Executive Officer or his appointment is not renewed

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings,

and having taken note of the following:

- the report of the Board of Directors for the General Meeting,
- the special report of the Statutory Auditors on the agreements and commitments governed by Article L. 225-38 *et seq.* of the Commercial Code,

approves the Board of Directors' amendment to the terms and conditions of the severance payment potentially payable to Mr Jacques Pétry and the non-compete clause binding on him if he is removed from the office of Chairman and Chief Executive Officer or his appointment is not renewed, as decided at its meeting of 4 March 2014 and presented in the special report of the Statutory Auditors on the agreements and commitments governed by Article L. 225-38 *et seq.* of the Commercial Code.

Eighth resolution – Approval of the agreements and commitments governed by Article L. 225-38 *et seq.* of the Commercial Code, other than those referred to in the sixth and seventh resolutions

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings,

and having taken note of the following:

- the report of the Board of Directors for the General Meeting,
- the special report of the Statutory Auditors on the agreements and commitments governed by Article L. 225-38 *et seq.* of the Commercial Code,

notes that no agreements or commitments governed by Article L. 225-38 *et seq.* of the Commercial Code, other than those referred to in the sixth and seventh resolutions of this General Meeting, have been entered into or granted during the financial year ended 31 December 2013.

8.2.1.5. Resolution 9: renewal of Mr Michel Bleitrach's appointment as a Director

Explanation

The ninth resolution relates to the renewal of Mr Michel Bleitrach's appointment as a Director, as his term of office expires at the close of the General Meeting.

The Board of Directors, based on the recommendations of the Nomination and Remuneration Committee, proposes that the General Meeting renew his appointment for a four-year term of office, expiring at the close of the General Meeting called in 2018 to approve the financial statements for the financial year ending 31 December 2017.

Mr Michel Bleitrach is an independent director and has held the position of Deputy Chairman of the Board of Directors since 2011. He is also Chairman of the Commitments and Monitoring Committee and a member of the Audit, Accounts and Risks Committee.

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If the General Meeting approves this proposal, Mr Michel Bleitrach will be reappointed as Deputy Chairman of the Board of Directors for the duration of his term of office as Director.

Information on the offices and duties performed by Mr Michel Bleitrach (including the offices and duties performed over the past five years) can be found in section 2.2.3.1, page 38 of the Registration Document for the 2013 financial year.

The Board of Directors invites shareholders to approve this resolution.

Ninth resolution – Renewal of Mr Michel Bleitrach's appointment as a Director

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings,

and having taken note of the report of the Board of Directors for the General Meeting,

notes that Mr Michel Bleitrach's term of office as a Director will expire at the close of this General Meeting,

and resolves, accordingly, to reappoint Mr Michel Bleitrach as a Director for a four-year term expiring at the close of the General Meeting called in 2018 to approve the financial statements for the financial year ending 31 December 2017.

8.2.1.6. Resolution 10: ratification of the transfer of the registered office

Explanation

The tenth resolution is designed to ratify the transfer of the Company's registered office. This transfer of the registered office took effect on 10 March 2014.

This transfer was decided by a resolution adopted by the Board of Directors on 17 December 2013, implemented, pursuant to a delegation of powers, by a decision of the Chairman and Chief Executive Officer on 24 February 2014. The Board of Directors used its exceptional powers pursuant to Article L. 225-36 of the Commercial Code and amended Article 4 of the Company's Memorandum and Articles of Association on the registered office accordingly.

The registered office is now located at Tour Opus 12, 77 esplanade du Général de Gaulle, 92081 Paris La Défense.

The Board of Directors invites shareholders to approve this resolution.

Tenth resolution – Ratification of the transfer of the registered office

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings,

and having taken note of the report of the Board of Directors for the General Meeting,

resolves to ratify the Board of Directors' decision of 17 December 2013, implemented, pursuant to a delegation of powers, by a decision of the Chairman and Chief Executive Officer on 24 February 2014, to transfer the Company's registered office to Tour Opus 12, 77 esplanade du Général de Gaulle, 92081 Paris La Défense, effective from 10 March 2014,

and approves, accordingly, the corresponding amendment to Article 4 of the Company's Memorandum and Articles of Association arising out of the above-mentioned decisions.

8.2.1.7. Resolution 11: setting the maximum total amount of directors' fees that may be allocated to Directors

Explanation

The eleventh resolution is designed to set the maximum total amount of directors' fees that may be allocated to Directors for the 2014 financial year and subsequent financial years until the General Meeting decides otherwise.

At its meeting of 4 March 2014, the Board of Directors examined the remuneration policy applicable to independent directors in light of:

- the new provisions of the AFEP-MEDEF Code, which recommends that the variable component of directors' fees payable to Directors should be higher than the fixed component;
- market practice.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors proposes that the General Meeting increase the maximum total amount of directors' fees that may be allocated to Directors by 10%, which would increase this amount from €150,000 to €165,000 for the 2014 financial year and subsequent financial years.

At the same time, the Board of Directors decided to modify the way in which this increased amount is allocated between its members, effective from the 2014 financial year, as follows:

- as previously, independent directors are the only Directors entitled to directors' fees;
- independent directors are entitled to a fixed lump-sum directors' fee, calculated on a prorata basis if their appointment relates to part of a financial year only, of:
 - €12,000 per financial year for independent directors other than the Deputy-Chairman of the Board of Directors. These fixed fees are only payable if they are members of at least one of the Board of Directors' specialist Committees;
 - €39,500 per financial year for the Deputy-Chairman of the Board of Directors, who is also Chairman of the Commitments and Monitoring Committee and member of the Audit, Accounts and Risks Committee;
- independent directors are entitled to variable directors' fees up to a maximum of €15,500 per financial year, adjusted on the basis of the number of meetings of the Board of Directors attended during the financial year compared to the total number of Board meetings held during the said financial year.

The Board of Directors invites shareholders to approve this resolution.

Eleventh resolution – Setting the maximum total amount of directors' fees that may be allocated to Directors

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings,

and having taken note of the report of the Board of Directors for the General Meeting,

resolves to set the maximum total amount of directors' fees that may be allocated to Directors at €165,000 for the current financial year and subsequent financial years, until the General Meeting decides otherwise.

8.2. Draft resolutions and Report of the Board of Directors for the Ordinary and Extraordinary General Meeting of 27 May 2014

8.2.1.8. Resolution 12: grant of authorisation to the Board of Directors to allow the Company to buy back its own shares within the framework of a share buyback programme**Explanation**

The twelfth resolution is designed to renew the grant of authorisation to the Board of Directors to allow the Company to buy back its own shares within the framework of a share buyback programme.

The existing authorisation, granted to the Board of Directors by the General Meeting at its meeting of 30 May 2013, was used by the Board of Directors to implement a liquidity contract, managed during the 2013 financial year by Kepler Cheuvreux, and then by Exane BNP Paribas. Detailed information on the Board of Directors' use of this authorisation and on the transactions performed within the framework of the liquidity contract during the 2013 financial year can be found in sections 7.2.2.2 and 7.3.6.2, pages 184 and 189 of the Registration Document for the 2013 financial year.

The Board of Directors proposes that the General Meeting extend this authorisation for a period of 18 months and cancel the unused part of the existing authorisation.

If the General Meeting approves this proposal, the objectives that could be met within the framework of the authorisation granted will be as follows, in decreasing order of priority:

- the implementation of a liquidity contract,
- the implementation of the Company's stock option plans or bonus share plans and any allotments, allocations or sales of shares, in particular under any scheme to share in the Company's profits;
- the delivery of shares when rights attached to securities giving access to the Company's shares are exercised;
- the cancellation of the shares bought back within the framework of a capital reduction under the terms and conditions set out in the thirteenth resolution of the General Meeting;
- the keeping of shares with a view to their subsequent delivery as payment or in exchange within the framework of acquisitions;
- the implementation of any other market practices that are accepted or recognised by the law or the AMF and, more generally, the fulfilment of any other objective allowed by applicable regulations.

The number of shares that may be purchased under this authorisation may not exceed 10% of the share capital on the date of purchase. Share purchases may not, under any circumstances, result in the Company directly or indirectly holding more than 10% of its share capital. As an exception to the above, the number of shares that may be purchased in order to keep them and subsequently deliver them as payment or in exchange within the framework of a merger, demerger or contribution may not exceed 5% of the share capital.

The aggregate amount of purchases, net of costs, may not exceed €75 million. The maximum purchase price per share may not exceed €36, subject to the adjustments required under applicable laws and regulations.

The purchases may be carried out by any means, on the market or off the market.

In the event of a public offering for the Company's shares settled entirely in cash, the Company may continue to implement its share buyback programme in compliance with applicable laws and regulations.

A description of this share buyback programme can be found in section 7.3.6, page 192 of the Registration Document for the 2013 financial year.

The Board of Directors invites shareholders to approve this resolution.

Twelfth resolution – Grant of authorisation to the Board of Directors to allow the Company to buy back its own shares within the framework of a share buyback programme

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings,

and having taken note of the report of the Board of Directors for the General Meeting,

resolves to authorise the Board of Directors, in accordance with Article L. 225-209 *et seq.* of the Commercial Code, Articles 241-1 to 241-6 of the AMF's General Regulations and European Regulation No. 2273/2003 of the European Commission of 22 December 2003, to purchase or arrange for the purchase of the Company's shares,

resolves that the objectives of such share purchases will be as follows, in decreasing order of priority:

- to ensure liquidity and foster the market for the Company's shares through the intermediary of an investment services provider acting completely independently under a liquidity contract and in accordance with a code of conduct acknowledged by the AMF,
- to implement all of the Company's stock option plans in accordance with Article L.225-177 *et seq.* of the Commercial Code, all allotments of bonus shares under a company or group savings plan in accordance with Article L.3332-1 *et seq.* of the Labour Code, or in accordance with Article L.225-197-1 *et seq.* of the Commercial Code, and all allotments, allocations or sales of shares, in particular under any scheme to share in the Company's profits, and to carry out any hedging transactions in connection therewith, in accordance with the terms and conditions laid down by applicable laws and regulations and at the times chosen by the Board of Directors or the person to whom the Board of Directors has delegated authority,
- to deliver shares when rights attached to securities giving immediate or subsequent access, by any means, to the Company's shares are exercised, and to carry out any hedging transactions in connection with the Company's obligations related to such securities, under the terms and conditions laid down by applicable laws and regulations and at the times chosen by the Board of Directors or the person to whom the Board of Directors has delegated authority,
- to cancel all or some of the shares bought back under this authorisation within the framework of a capital reduction, under the terms and conditions set out in the thirteenth resolution of this General Meeting or any subsequent authorisation replacing it,
- to keep the shares with a view to their subsequent delivery as payment or in exchange within the framework of acquisitions, in accordance with accepted market practices and applicable regulations,
- to implement any other market practices that are accepted or recognised by the law or the AMF and, more generally, to achieve any other objective allowed by applicable regulations,

8.2. Draft resolutions and Report of the Board of Directors for the Ordinary and Extraordinary General Meeting of 27 May 2014

resolves that this authorisation may be implemented subject to the following terms and conditions:

- the number of shares that can be purchased may not exceed 10% of the number of shares comprising the share capital on the date of purchase, and purchases made by the Company pursuant to this authorisation may not, under any circumstances, result in it directly or indirectly holding more than 10% of the shares comprising the share capital,
- the number of shares that can be purchased by the Company in order to keep them and subsequently deliver them as payment or in exchange within the framework of a merger, demerger or contribution may not exceed 5% of the shares comprising the share capital,
- the aggregate amount of the purchases, net of costs, may not exceed €75 million,
- the purchase price per share must not exceed €36, and in the event of capital transactions such as the capitalisation of reserves followed by the issue and allotment of bonus shares and/or a stock split or reverse stock split operation, this maximum purchase price will be adjusted accordingly by applying a factor corresponding to the ratio between the number of shares comprising the capital before the relevant transaction and the number of shares after the transaction,

resolves that the purchase, sale or transfer of the shares may be carried out or paid, in compliance with applicable regulations, by any means, in particular on the market or off the market, in particular over-the-counter, including through block trades or a public offering, trading in options or derivatives, the purchase of options or the purchase of securities. There is no limit on the proportion of securities subject to block trading, and block trades may account for the entire share buyback programme,

resolves, that in the event of a public offering for the Company's shares settled in full in cash, the Company may continue to implement its share buyback programme in compliance with applicable laws and regulations,

notes that the shares purchased and kept by the Company shall be stripped of their voting rights, and that no dividend will be paid thereon,

resolves to grant this authorization for a period of 18 months, with effect from the date of this General Meeting,

resolves that this authorisation cancels and supersedes the unused part of the authorisation granted in the thirteenth resolution adopted at the General Meeting held on 30 May 2013,

and grants full powers to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, to implement this share buyback programme and, more specifically, to place any orders on the market, sign any agreements, including agreements relating to registers of share purchases and sales, draw up any documents, including in particular information documents, carry out all formalities and file all statements, including the allocation or reallocation of shares purchased on the basis of the various objectives, and, more generally, do whatever is necessary and appropriate.

8.2.2. RESOLUTIONS PUT TO THE EXTRAORDINARY GENERAL MEETING

8.2.2.1. Resolution 13: grant of authorisation to the Board of Directors to reduce the Company's capital by cancelling shares purchased by the Company within the framework of a share buyback programme

Explanation

The thirteenth resolution is designed to renew the authorisation granted to the Board of Directors to reduce the Company's capital by cancelling shares purchased by the Company within the framework of a share buyback programme.

The Statutory Auditors have issued a report on this resolution, set out in section 8.3.1, page 229 of the Registration Document for the 2013 financial year.

The Board of Directors has not used the existing authorisation, granted to it by the General Meeting at its meeting of 30 May 2013.

The Board of Directors proposes that the General Meeting renew this authorisation for an 18-month period and cancel the unused part of the existing authorisation.

If the General Meeting approves this proposal, the authorisation granted will allow the Company to fulfil one of the objectives authorised within the framework of a share buyback programme.

As part of this authorisation, the share capital may be reduced, in one or several transactions, up to 10% of the capital per 24-month period, by cancelling the shares acquired within the framework of a share buyback programme.

The Board of Directors invites shareholders to approve this resolution.

Thirteenth resolution – Grant of authorisation to the Board of Directors to reduce the Company's capital by cancelling shares purchased by the Company within the framework of a share buyback programme

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings,

and having taken note of the following:

- the report of the Board of Directors for the General Meeting,
- the report of the Statutory Auditors on the thirteenth resolution,

resolves to authorise the Board of Directors, in accordance with Article L.225-209 *et seq.* of the Commercial Code, to reduce the capital in one or several transactions, in the proportions and at the times decided by it, by cancelling all or part of the shares acquired within the framework of any authorised share buyback programme, within a limit of 10% of the capital per 24-month period,

resolves to grant this authorisation for an 18-month period with effect from the date of this General Meeting,

and grants full powers to the Board of Directors, with the power to sub-delegate pursuant to applicable laws and regulations, in order to reduce the capital by cancelling shares, and in particular to set the final amount of the capital reduction, define the terms and conditions and record completion, charge the difference between the carrying amount of the cancelled shares and their par value to any available reserves or premium accounts, amend the Memorandum and Articles of Association accordingly, carry out all formalities and file all statements and, more generally, do whatever is necessary and appropriate.

8.2. Draft resolutions and Report of the Board of Directors for the Ordinary and Extraordinary General Meeting of 27 May 2014

8.2.2.2. Resolution 14: delegation of authority to the Board of Directors to decide to issue, with maintenance of preferential subscription rights, ordinary shares and/or securities giving immediate or subsequent access to capital and/or debt securities**Explanation**

The fourteenth resolution is designed to renew the delegation of authority granted to the Board of Directors to decide to issue, with maintenance of preferential subscription rights, ordinary shares and/or securities giving immediate or subsequent access to capital and/or debt securities.

The Statutory Auditors have issued a report on this resolution, set out in section 8.2.2.2, page 230 of the Registration Document for the 2013 financial year.

The Board of Directors has not used the existing delegation, granted to it by the General Meeting at its meeting of 31 May 2012.

The Board of Directors proposes that the General Meeting renew this delegation for a period of 26 months and cancel the existing delegation.

If the General Meeting approves this proposal, the Board of Directors will have the authority to decide, with the power to sub-delegate, one or more issues, denominated in euros or in any other currency or unit of account established by reference to a basket of currencies, in respect of:

- Company shares,
- securities giving immediate or subsequent access, by any means, to existing and/or future shares in the Company,
- securities giving immediate or subsequent access, by any means, to existing and/or future shares in a company in which the Company directly or indirectly holds more than one half of the capital, and/or
- securities carrying an entitlement to debt securities, issued free of charge or for consideration, governed by Article L. 228-91 *et seq.* of the Commercial Code.

This delegation does not, however, authorise the Board of Directors to issue preference shares or securities giving access to preference shares.

The nominal amount of the capital increases that may be carried out under this delegation may not exceed €357,000 (corresponding to approximately 32% of the capital as at 31 December 2013). The nominal amount of the capital increases that may be carried out under the delegations referred to in the fifteenth, sixteenth, seventeenth, eighteenth, nineteenth, twentieth, twenty-first and twenty-third resolutions will also be applied against this aggregate cap, which will be increased, where applicable, by the additional nominal amount of shares that may be issued to protect the rights of holders of securities giving access to capital.

The nominal amount of the debt securities that may be issued under this delegation, or their equivalent value in euros on the date on which their issue is decided, may not exceed €200 million. The nominal amount of the debt securities that may be issued under the delegations referred to in the fifteenth, sixteenth, seventeenth and eighteenth resolutions will also be applied against this aggregate cap, which will be increased, where applicable, by any redemption premium above par value. It is, moreover, specified that the nominal amount of any issues decided by the Board of Directors pursuant to Article L. 228-40 of the Commercial Code will not be applied against this aggregate cap.

Shareholders will have a preferential subscription right on a pre-emptive basis for ordinary shares and securities giving access to capital issued under this delegation in proportion to the number of shares held. The Board of Directors may grant preferential subscription rights to shareholders for excess shares, to be exercised in proportion to shareholder subscription rights and, in all circumstances, up to the number of shares applied for.

In the event that applications for new shares on a pre-emptive basis and, where applicable, applications for excess shares do not take up the entire issue of shares or securities giving access to capital under this delegation, the Board of Directors may implement one or more of the following options available to it under Article L. 225-134 of the Commercial Code, in such order as it determines:

- to limit the issue, where applicable, to the amount of the subscriptions provided that said amount is not less than three quarters of the issue decided by the Board of Directors;
- to distribute, at its own discretion, all or part of the securities that have not been subscribed for to whomever it decides;
- to offer all or part of the shares that have not been subscribed for to the public.

Under this delegation, shareholders are automatically deemed to have waived their preferential subscription rights, in favour of the holders of the securities issued, in respect of ordinary shares in the Company to which said holders may be entitled under the rights attaching to said securities.

The Board of Directors invites shareholders to approve this resolution.

Fourteenth resolution – Delegation of authority to the Board of Directors to decide to issue, with maintenance of preferential subscription rights, ordinary shares and/or securities giving immediate or subsequent access to capital and/or debt securities

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings,

and having taken note of the following:

- the report of the Board of Directors for the General Meeting,
- the report of the Statutory Auditors on the fourteenth resolution,

in accordance with the provisions of Article L. 225-129 *et seq.* of the Commercial Code, in particular Articles L. 225-129-2, L. 225-132, L. 225-133 and L. 225-134 of the Commercial Code, and the provisions of Article L. 228-91 *et seq.* of the Commercial Code,

delegates to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, its authority to decide one or more issues, in the proportions and at the times it deems fit, both in France and abroad, denominated in euros or in any other currency or unit of account established by reference to a basket of currencies:

- Company shares,
- securities giving immediate or subsequent access, by any means, to existing and/or future shares in the Company,
- securities giving immediate or subsequent access, by any means, to existing and/or future shares in a company in which the Company directly or indirectly holds more than one half of the capital, and/or
- securities carrying an entitlement to debt securities, issued free of charge or for consideration, governed by Article L. 228-91 *et seq.* of the Commercial Code,

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which may be subscribed for in cash, including by setting off liquid and payable debts, or partly in cash and partly by capitalising reserves, profit or premiums,

resolves that preference shares and securities giving immediate or subsequent access, by any means, to preference shares are expressly excluded from this delegation,

resolves that the securities giving access to the Company's ordinary shares issued under this delegation may, in particular, be composed of debt securities or be combined with the issue of such securities, or allow the issue thereof as intermediate securities, that they may in particular be issued as subordinated or unsubordinated securities (and, if subordinated, the Board of Directors must determine their level of subordination), for a fixed or perpetual term, and be issued in euros or in any other currency or monetary units established by reference to a basket of currencies,

resolves that the nominal amount of the capital increases under this delegation, that may be carried out immediately or in the future, may not exceed €357,000, on the understanding that:

- the aggregate nominal amount of the capital increases that may be carried out under this delegation, and in accordance with the fifteenth, sixteenth, seventeenth, eighteenth, nineteenth, twentieth, twenty-first and twenty-third resolutions submitted to this General Meeting, may not exceed this amount of €357,000,
- this amount will be increased, where applicable, by the additional nominal amount of ordinary shares that may be issued to protect, in accordance with applicable laws and regulations and any applicable contractual provisions providing for other cases of adjustment, the rights of holders of securities giving access to capital,

resolves that the nominal amount of the debt securities that may be issued under this resolution, or their equivalent in euros on the date on which their issue is decided, may not exceed €200 million, on the understanding that:

- this amount is an aggregate cap that applies to all debt securities that may be issued under this delegation and in accordance with the fifteenth, sixteenth, seventeenth and eighteenth resolutions submitted to this General Meeting,
- this amount is not affected by and is separate from the amount of any debt securities issues that the Board of Directors may decide or authorise in accordance with the provisions of Article L. 228-40 of the Commercial Code,
- this amount will be increased, where applicable, by any redemption premium above par value,

resolves that, in accordance with applicable laws and regulations and the terms and conditions determined by the Board of Directors, shareholders will have a preferential subscription right on a pre-emptive basis for ordinary shares and securities giving access to capital issued under this delegation in proportion to the number of shares held and that the Board of Directors may grant shareholders preferential subscription rights in respect of excess shares, to be exercised in proportion to shareholder subscription rights and, in all circumstances, up to the number of shares applied for,

resolves that if the applications for shares on a pre-emptive basis and, where applicable, subscriptions for excess shares do not take up the entire issue of shares or securities giving access to capital decided under this delegation, the Board of Directors may implement one or more of the following options available to it under Article L. 225-134 of the Commercial Code, in such order as it determines:

- to limit the issue, where applicable, to the amount of subscriptions, provided that said amount is not less than three quarters of the issue decided by the Board of Directors,

- to distribute, at its own discretion, all or part of the securities that have not been subscribed for to whomever it decides, or
- to offer all or part of the shares that have not been subscribed for to the public,

notes that under this delegation, shareholders are automatically deemed to have waived their preferential subscription rights, in favour of the holders of the securities issued, in respect of ordinary shares in the Company to which said holders may be entitled under the rights attaching to said securities,

resolves that warrants for the Company's shares may be issued by way of cash subscriptions in accordance with the provisions set out above or by way of free allotments to the holders of existing shares, it being understood that the Board of Directors may decide that allotment rights for fractional shares will not be tradable and that the corresponding securities will be sold in the event of free allotments of detachable subscription warrants,

resolves to grant this delegation for a period of 26 months, with effect from the date of this General Meeting,

resolves that this delegation invalidates the unused part of any previous delegation having the same purpose,

resolves that, in the event that the Board of Directors uses this delegation, it will be required to report back to the next Ordinary General Meeting on its use of this delegation in accordance with applicable laws and regulations,

and grants full powers to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, to implement this delegation, and in particular to:

- decide to issue securities,
- determine all characteristics, the amount and the terms of any issue and the securities to be issued and in particular to:
 - determine the class of securities issued and set the relevant subscription price, the amount of the premium, the terms of payment, the date on which the dividend and other rights accrue (which may apply retroactively), the terms on which the securities issued under this resolution give access to the Company's ordinary shares and, where applicable, contractual provisions providing for cases of adjustment in addition to the cases provided for by law and under regulations,
 - determine, where applicable, the conversion, exchange and redemption rights, including through the delivery of Company assets such as existing securities, attached to shares or securities giving access to capital to be issued,
 - if the securities to be issued will be comprised of or combined with debt securities, fix their term (fixed or perpetual), their remuneration and, where applicable, the compulsory or optional circumstances for suspension or non-payment of interest, the right to reduce or increase the nominal value of the securities and the other terms of issue (including the provision of guarantees or sureties) and redemption (including repayment through the delivery of Company assets), on the understanding that the securities to be issued may be coupled with warrants conferring a right to the allotment, acquisition or subscription of bonds or other securities representing debts, or grant the Company the right to issue debt securities (whether of a similar nature or otherwise) by way of payment of interest, for which payment has been suspended (for example, on account of the terms of redemption or remuneration or other rights such as indexation, option rights),

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- during their life, modify the terms of the relevant securities, in accordance with applicable laws and regulations,
- determine the terms and conditions under which the Company may, where applicable, buy back or exchange on a stock exchange, at any time or during pre-determined periods, securities issued or to be issued, immediately or in the future, in order to cancel them or otherwise, based on applicable laws and regulations,
- of its own motion, allocate the cost of the capital increase against the amount of the relevant premiums and deduct the sums required to fund the statutory reserve from this amount, and
- take such steps as are appropriate and enter into any agreements for the purpose of implementing this delegation, in particular to ensure the successful completion of the planned issues, record completion and make the corresponding amendments to the Memorandum and Articles of Association, carry out all formalities and file all statements relevant for the issue, listing and financial administration of the securities issued under this delegation as well as the exercise of the rights attached thereto and request any and all permissions that prove necessary for the carrying out and successful completion of these issues.

8.2.2.3. Resolution 15: delegation of authority to the Board of Directors to decide to issue, by means of a public offering, with waiver of preferential subscription rights, ordinary shares and/or securities giving immediate or subsequent access to capital and/or debt securities

Explanation

The fifteenth resolution is designed to renew the delegation of authority granted to the Board of Directors to decide to issue by means of a public offering, with waiver of preferential subscription rights, ordinary shares and/or securities giving immediate or subsequent access to capital and/or debt securities.

The Statutory Auditors have issued a report on this resolution, set out in section 8.3.2, page 230 of the Registration Document for the 2013 financial year.

The Board of Directors has not used the existing delegation, granted to it by the General Meeting at its meeting of 31 May 2012.

The Board of Directors proposes that the General Meeting renew this delegation for a period of 26 months and cancel the existing delegation.

If the General Meeting approves this proposal, the Board of Directors will have the authority to decide, with the power to sub-delegate, to issue by means of a public offering, as defined in Article L. 411-1 *et seq.* of the Monetary and Finance Code, including by means of an offering comprising a public offering, involving one or more issues, denominated in euros or in any other currency or unit of account established by reference to a basket of currencies:

- Company shares,
- securities giving immediate or subsequent access to existing and/or future shares in the Company,
- securities giving immediate or subsequent access, by any means, to existing and/or future shares in a company in which the Company directly or indirectly holds more than one half of the capital, and/or
- securities carrying an entitlement to debt securities, issued free of charge or for consideration, governed by Article L. 228-91 *et seq.* of the Commercial Code.

This delegation does not however authorise the Board of Directors to issue preference shares or securities giving access to preference shares.

The nominal amount of the capital increases that may be carried out under this delegation may not exceed €215,000 (corresponding to approximately 19% of the capital as at 31 December 2013). This amount will be applied against the aggregate nominal cap of €357,000 provided for in the fourteenth resolution. It will be increased, where applicable, by the additional nominal amount of the shares that may be issued to protect the rights of holders of securities giving access to capital.

The nominal amount of the debt securities that may be issued under this delegation, or their equivalent value in euros on the date on which their issue is decided, may not exceed €200 million. This amount will be applied against the nominal cap of €200 million provided for in the fourteenth resolution. It will be increased, where applicable, by any redemption premium above par value. It is moreover specified that the nominal amount of any issues decided by the Board of Directors under Article L. 228-40 of the Commercial Code will not be applied against this cap.

Shareholder preferential subscription rights for securities that may be issued under this delegation will be waived. However, the Board of Directors has the power to grant shareholders a preferential right that does not give rise to the creation of tradable rights.

Under this delegation, shareholders are automatically deemed to have waived their preferential subscription rights, in favour of the holders of the securities issued, in respect of ordinary shares in the Company to which said holders may be entitled under the rights attaching to said securities.

Without prejudice to the terms of the eighteenth resolution:

- the issue price of the new shares issued under this delegation may not be less than the minimum amount provided for under the laws and regulations in force on the date of issue (currently the weighted average price of the Company's shares quoted on the regulated NYSE Euronext Paris market in the last three trading days prior to the date on which this price is set, to which a discount of no more than 5% may be applied, in accordance with the provisions of the first paragraph of Article L. 225-136(1) and Article R. 225-119 of the Commercial Code);
- the issue price of securities giving access to capital will be such that the amount received immediately by the Company, plus any amount that may subsequently be received by the Company, will be, for each share issued as a result of the issue of these securities, at least equal to the issue price defined in the previous paragraph.

The Board of Directors invites shareholders to approve this resolution.

Fifteenth resolution – Delegation of authority to the Board of Directors to decide to issue by means of a public offering, with waiver of preferential subscription rights, ordinary shares and/or securities giving immediate or subsequent access to capital and/or debt securities

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings,

and having taken note of the following:

- the report of the Board of Directors for the General Meeting,
- the report of the Statutory Auditors on the fifteenth resolution,

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in accordance with the provisions of Article L. 225-129 *et seq.* of the Commercial Code, in particular Articles L. 225-129-2, L. 225-135 and L. 225-136 of the Commercial Code, and the provisions of Article L. 228-91 *et seq.* of the Commercial Code,

delegates to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, its authority to decide to issue, by means of a public offering, as defined in Article L. 411-1 *et seq.* of the Monetary and Finance Code, including by means of an offering comprising a public offering, involving one or more issues, and in the proportions and at the times it deems fit, both in France and abroad, denominated in euros or in any other currency or unit of account established by reference to a basket of currencies:

- Company shares,
- securities giving immediate or subsequent access to existing and/or future shares in the Company,
- securities giving immediate or subsequent access, by any means, to existing and/or future shares in a company in which the Company directly or indirectly holds more than one half of the capital, and/or
- securities carrying an entitlement to debt securities, issued free of charge or for consideration, governed by Article L. 228-91 *et seq.* of the Commercial Code,

which may be subscribed for in cash, including by setting off liquid and payable debts,

resolves that preference shares and securities giving immediate or subsequent access, by any means, to preference shares are expressly excluded from this delegation of authority,

resolves that securities giving access to the Company's ordinary shares issued under this delegation may, in particular, be composed of debt securities or be combined with the issue of such securities, or allow them to be issued as intermediate securities, that they may in particular be issued as subordinated or unsubordinated securities (and, if subordinated, the Board of Directors must determine their level of subordination), for a fixed or perpetual term, and be issued in euros or in any other currency or monetary units established by reference to a basket of currencies,

resolves that the nominal amount of the capital increases under this delegation, that may be carried out immediately or in the future, may not exceed €215,000, on the understanding that:

- the nominal amount of the capital increases that may be carried out under this delegation will be applied against the aggregate maximum nominal amount set in the fourteenth resolution of this General Meeting,
- this amount will be increased, where applicable, by the additional nominal amount of the ordinary shares that may be issued to protect, in accordance with applicable laws and regulations and any applicable contractual provisions providing for other cases of adjustment, the rights of holders of securities giving access to capital,

resolves that the nominal amount of the debt securities that may be issued under this delegation, or their equivalent in euros on the date on which their issue is decided, may not exceed €200 million, on the understanding that:

- this amount will be increased, where applicable, by any redemption premium above par value,
- this amount will be applied against the aggregate maximum nominal amount set in the fourteenth resolution of this General Meeting,
- this amount is not affected by and is separate from the amount of any debt securities issues that the Board of Directors may authorise in accordance with the provisions of Article L. 228-40 of the Commercial Code,

resolves to waive shareholder preferential subscription rights for securities that may be issued under this delegation but authorises the Board of Directors to grant shareholders a preferential right on a pre-emptive basis and/or for excess shares that does not give rise to the creation of tradable rights, pursuant to the provisions of Article L. 225-135 of the Commercial Code,

notes that under this delegation, shareholders are automatically deemed to have waived their preferential subscription rights, in favour of the holders of the securities issued, in respect of ordinary shares in the Company to which said holders may be entitled under the rights attaching to said securities,

resolves that, without prejudice to the terms of the eighteenth resolution:

- the issue price of the new shares issued may not be less than the minimum amount provided for under the laws and regulations in force on the date of issue (currently the weighted average price of the Company's shares quoted on the regulated NYSE Euronext Paris market in the last three trading days prior to the date on which this price is set, to which a discount of no more than 5% may be applied, in accordance with the provisions of the first paragraph of Article L. 225-136(1) and Article R. 225-119 of the Commercial Code),
- the issue price of securities giving access to capital will be such that the amount received immediately by the Company, plus any amount that may subsequently be received by the Company, will be, for each share issued as a result of the issue of these securities, at least equal to the issue price defined in the previous paragraph,

resolves to grant this delegation for a period of 26 months, with effect from the date of this General Meeting,

resolves that this delegation invalidates the unused part of any previous delegation having the same purpose,

resolves that, in the event that the Board of Directors uses this delegation, it will be required to report back to the next Ordinary General Meeting on its use of this delegation in accordance with applicable laws and regulations,

and grants full powers to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, to implement this delegation, and in particular to:

- decide to issue securities,
- determine all characteristics, the amount and the terms of any issue and the securities to be issued and in particular to:
 - determine the class of securities issued and set the relevant subscription price, the amount of the premium, the terms of payment, the date on which the dividend and other rights accrue (which may apply retroactively), the terms on which the securities issued under this resolution give access to the Company's ordinary shares and, where applicable, contractual provisions providing for cases of adjustment in addition to the cases provided for by law and under regulations,
 - determine, where applicable, the conversion, exchange and redemption rights, including through the delivery of Company assets such as existing securities, attached to the shares or securities giving access to capital to be issued,
 - if the securities to be issued will be comprised of or combined with debt securities, fix their term (fixed or perpetual), their remuneration and, where applicable, the compulsory or optional circumstances for suspension or non-payment of interest, the right to reduce or increase the nominal value of the securities and the other terms of issue (including the provision of guarantees or sureties) and redemption (including repayment through the delivery of Company assets), on the understanding that the securities to be issued may be coupled

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with warrants conferring a right to the allotment, acquisition or subscription of bonds or other securities representing debts, or grant the Company the right to issue debt securities (whether of a similar nature or otherwise) by way of payment of interest, for which payment has been suspended (for example, on account of the terms of redemption or remuneration or other rights such as indexation, option rights),

- during their life, modify the terms of the relevant securities, in accordance with applicable laws and regulations,
- determine the terms and conditions under which the Company may, where applicable, buy back or exchange on a stock exchange, at any time or during pre-determined periods, securities issued or to be issued, immediately or in the future, in order to cancel them or otherwise, based on applicable laws and regulations,
- of its own motion, allocate the cost of the capital increase against the amount of the relevant premiums and deduct the sums required to fund the statutory reserve from this amount, and
- take such steps as are appropriate and enter into any agreements for the purpose of implementing this delegation, in particular to ensure the successful completion of the planned issues, record completion and make the corresponding amendments to the Memorandum and Articles of Association, carry out all formalities and file all statements relevant for the issue, listing and financial administration of the securities issued under this delegation as well as the exercise of the rights attached thereto and request any and all permissions that prove necessary.

8.2.2.4. Resolution 16: delegation of authority to the Board of Directors to decide to issue by means of an offering referred to in Article L. 411-2(II) of the Monetary and Finance Code, with waiver of preferential subscription rights, ordinary shares and/or securities giving immediate or subsequent access to capital and/or debt securities

Explanation

The sixteenth resolution is designed to renew the delegation of authority granted to the Board of Directors to decide to issue by means of an offering referred to in Article L. 411-2(II) of the Monetary and Finance Code, with waiver of preferential subscription rights, ordinary shares and/or securities giving immediate or subsequent access to capital and/or debt securities.

The Statutory Auditors have issued a report on this resolution, set out in section 8.3.2, page 230 of the Registration Document for the 2013 financial year.

The Board of Directors has not used the existing delegation, granted to it by the General Meeting at its meeting of 31 May 2012.

The Board of Directors proposes that the General Meeting renew this delegation for a period of 26 months and cancel the existing delegation.

If the General Meeting approves this proposal, the Board of Directors will have the authority to decide, with the power to sub-delegate, to issue by means of an offering referred to in Article L. 411-2(II) of the Monetary and Finance Code (meaning an offering exclusively reserved to persons providing third-party asset management investment services or accredited investors or a restricted circle of investors provided that these investors are acting for their own account), involving one or more issues, denominated in euros or in any other currency or unit of account established by reference to a basket of currencies:

- Company shares,
- securities giving immediate or subsequent access to existing and/or future shares in the Company,
- securities giving immediate or subsequent access, by any means, to existing and/or future shares in a company in which the Company directly or indirectly holds more than one half of the capital, and/or
- securities carrying an entitlement to debt securities, issued free of charge or for consideration, governed by Article L. 228-91 *et seq.* of the Commercial Code.

This delegation does not however authorise the Board of Directors to issue preference shares or securities giving access to preference shares.

The nominal amount of the capital increases that may be carried out under this delegation immediately or in the future may not exceed €215,000 (corresponding to approximately 19% of the capital as at 31 December 2013) and must fall within the limits on issues provided for in the laws and regulations in force on the date of issue (for information purposes only, on the date of this General Meeting, capital securities issued by means of an offering referred to in Article 411-2(II) of the Monetary and Finance Code may not exceed 20% of the Company's capital per year). This amount will be applied against the aggregate nominal cap of €357,000 provided for in the fourteenth resolution. It will be increased, where applicable, by the additional nominal amount of shares that may be issued to protect the rights of any holders of securities giving access to capital.

The nominal amount of the debt securities that may be issued under this delegation, or their equivalent value in euros on the date on which their issue is decided, may not exceed €200 million. This amount will be applied against the nominal cap of €200 million provided for in the fourteenth resolution. It will be increased, where applicable, by any redemption premium above par value. It is moreover specified that the nominal amount of any issues decided by the Board of Directors under Article L. 228-40 of the Commercial Code will not be applied against this cap.

Shareholder preferential subscription rights for the securities that may be issued under this delegation will be waived.

Under this delegation, shareholders are automatically deemed to have waived their preferential subscription rights, in favour of the holders of the securities issued, in respect of ordinary shares in the Company to which said holders may be entitled under the rights attaching to said securities.

Without prejudice to the terms of the eighteenth resolution:

- the issue price of the new shares issued under this delegation may not be less than the minimum amount provided for under the laws and regulations in force on the date of issue (currently the weighted average price of the Company's shares quoted on the regulated NYSE Euronext Paris market in the last three trading days prior to the date on which this price is set, to which a discount of no more than 5% may be applied, in accordance with the provisions of the first paragraph of Article L. 225-136(1°) and Article R. 225-119 of the Commercial Code),
- the issue price of securities giving access to capital will be such that the amount received immediately by the Company, plus any amount that may subsequently be received by the Company, will be, for each share issued as a result of the issue of these securities, at least equal to the issue price defined in the previous paragraph.

The Board of Directors invites shareholders to approve this resolution.

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Sixteenth resolution – Delegation of authority to the Board of Directors to decide to issue by means of an offering referred to in Article L. 411-2(II) of the Monetary and Finance Code, with waiver of preferential subscription rights, ordinary shares and/or securities giving immediate or subsequent access to capital and/or debt securities

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings,

and having taken note of the following:

- the report of the Board of Directors for the General Meeting,
- the report of the Statutory Auditors on the sixteenth resolution,

in accordance with the provisions of Article L. 225-129 *et seq.* of the Commercial Code, in particular Articles L. 225-129-2, L. 225-135 and L. 225-136 of the Commercial Code, and the provisions of Article L. 228-91 *et seq.* of the Commercial Code,

delegates to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, its authority to decide to issue, by means of an offering referred to in Article L. 411-2(II) of the Monetary and Finance Code (meaning an offering exclusively reserved to persons providing third-party asset management investment services or accredited investors or a restricted circle of investors provided that these investors are acting for their own account), involving one or more issues, and in the proportions and at the times it deems fit, both in France and abroad, denominated in euros or in any other currency or unit of account established by reference to a basket of currencies:

- Company shares,
- securities giving immediate or subsequent access to existing and/or future shares in the Company,
- securities giving immediate or subsequent access, by any means, to existing and/or future shares in a company in which the Company directly or indirectly holds more than one half of the capital, and/or
- securities carrying an entitlement to debt securities, issued free of charge or for consideration, governed by Article L. 228-91 *et seq.* of the Commercial Code,

which may be subscribed for in cash, including by setting off liquid and payable debts,

resolves that preference shares and securities giving immediate or subsequent access, by any means, to preference shares are expressly excluded from this delegation of authority,

resolves that the securities giving access to the Company's ordinary shares issued under this delegation may, in particular, be composed of debt securities or be combined with the issue of such securities, or allow the issue thereof as intermediate securities, that they may in particular be issued as subordinated or unsubordinated securities (and, if subordinated, the Board of Directors must determine their level of subordination), for a fixed or perpetual term, and be issued in euros or in any other currency or monetary units established by reference to a basket of currencies,

resolves that the nominal amount of the capital increases under this delegation, that may be carried out immediately or in the future, may not exceed €215,000, on the understanding that:

- capital securities issued under this delegation by means of an offering referred to in Article 411-2(II) of the Monetary and Finance Code may not exceed the limits provided for in the laws and regulations in force on the date of issue (for information purposes only, on the date of this General Meeting, capital securities issued by means of an offering referred to in Article 411-2(II) of the Monetary and Finance Code may not exceed 20% of the Company's capital per year), on the understanding that this limit will be assessed on the date of the Board of Directors' decision to use this delegation,
- the nominal amount of the capital increases that may be carried out under this delegation will be applied against the aggregate maximum nominal amount set in the fourteenth resolution of this General Meeting,
- this amount will be increased, where applicable, by the additional nominal amount of the ordinary shares that may be issued to protect, in accordance with applicable laws and regulations and any applicable contractual provisions providing for other cases of adjustment, the rights of holders of securities giving access to capital,

resolves that the nominal amount of the debt securities that may be issued under this delegation, or their equivalent in euros on the date on which their issue is decided, may not exceed €200 million, on the understanding that:

- this amount will be increased, where applicable, by any redemption premium above par value,
- this amount will be applied against the aggregate maximum nominal amount set in the fourteenth resolution of this General Meeting,
- this amount is not affected by and is separate from the amount of any debt securities issues that the Board of Directors may authorise in accordance with the provisions of Article L. 228-40 of the Commercial Code,

resolves to waive the preferential subscription rights held by shareholders in respect of securities that may be issued under this delegation,

notes that under this delegation, shareholders are automatically deemed to have waived their preferential subscription rights, in favour of the holders of the securities issued, in respect of ordinary shares in the Company to which said holders may be entitled under the rights attaching to said securities,

resolves that, without prejudice to the terms of the eighteenth resolution:

- the issue price of the new shares issued may not be less than the minimum amount provided for under the laws and regulations in force on the date of issue (currently the weighted average price of the Company's shares quoted on the regulated NYSE Euronext Paris market in the last three trading days prior to the date on which this price is set, to which a discount of no more than 5% may be applied, in accordance with the provisions of the first paragraph of Article L. 225-136(1°) and Article R. 225-119 of the Commercial Code),
- the issue price of securities giving access to the Company's capital will be such that the amount received immediately by the Company, plus any amount that may subsequently be received by the Company, will be, for each share issued as a result of the issue of these securities, at least equal to the issue price defined in the previous paragraph,

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resolves to grant this delegation for a period of 26 months, with effect from the date of this General Meeting,

resolves that this delegation invalidates the unused part of any previous delegation having the same purpose,

resolves that, in the event that the Board of Directors uses this delegation, it will be required to report back to the next Ordinary General Meeting on its use of this delegation in accordance with applicable laws and regulations,

and grants full powers to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, to implement this delegation, and in particular to:

- decide to issue securities,
- determine all characteristics, the amount and the terms of any issue and the securities to be issued and in particular to:
 - determine the class of securities issued and set the relevant subscription price, the amount of the premium, the terms of payment, the date on which the dividend and other rights accrue (which may apply retroactively), the terms on which the securities issued under this resolution give access to the Company's ordinary shares and, where applicable, contractual provisions providing for cases of adjustment in addition to the cases provided for by law and under regulations,
 - determine, where applicable, the conversion, exchange and redemption rights, including through the delivery of Company assets such as existing securities, attached to the shares or securities giving access to capital to be issued,
 - if the securities to be issued will be comprised of or combined with debt securities, fix their term (fixed or perpetual), their remuneration and, where applicable, the compulsory or optional circumstances for suspension or non-payment of interest, the right to reduce or increase the nominal value of the securities and the other terms of issue (including the provision of guarantees or sureties) and redemption (including repayment through the delivery of Company assets), on the understanding that the securities to be issued may be coupled with warrants conferring a right to the allotment, acquisition or subscription of bonds or other securities representing debts, or grant the Company the right to issue debt securities (whether of a similar nature or otherwise) by way of payment of interest, for which payment has been suspended (for example, on account of the terms of redemption or remuneration or other rights such as indexation, option rights),
- during their life, modify the terms of the relevant securities, in accordance with applicable laws and regulations,
- determine the terms and conditions under which the Company may, where applicable, buy back or exchange on a stock exchange, at any time or during pre-determined periods, securities issued or to be issued, immediately or in the future, in order to cancel them or otherwise, based on applicable laws and regulations,
- of its own motion, allocate the cost of the capital increase against the amount of the relevant premiums and deduct the sums required to fund the statutory reserve from this amount, and
- take such steps as are appropriate and enter into any agreements for the purpose of implementing this delegation, in particular to ensure the successful completion of the planned issues, record completion and make the corresponding amendments to the Memorandum and Articles of Association, carry out all formalities and file all statements relevant for the issue, listing and financial administration of the securities issued under this delegation as well as the exercise of the rights attached thereto and request any and all permissions that prove necessary.

8.2.2.5. Resolution 17: delegation of authority to the Board of Directors to decide to increase the amount of the issues undertaken, with maintenance or waiver of preferential subscription rights in the case of surplus demand, pursuant to the fourteenth, fifteenth and sixteenth resolutions

Explanation

The seventeenth resolution is designed to renew the delegation of authority granted to the Board of Directors to decide to increase the amount of the issues undertaken, with maintenance or waiver of preferential subscription rights in the case of surplus demand, pursuant to the fourteenth, fifteenth and sixteenth resolutions.

The Statutory Auditors have issued a report on this resolution, set out in section 8.3.2, page 230 of the Registration Document for the 2013 financial year.

The Board of Directors has not used the existing delegation, granted to it by the General Meeting at its meeting of 31 May 2012.

The Board of Directors proposes that the General Meeting renew this delegation for a period of 26 months and cancel the existing delegation.

If the General Meeting approves this proposal, the Board of Directors will have the authority to decide, with the power to sub-delegate, to increase the number of shares or securities to be issued as a consequence of issues undertaken under the delegations granted in the fourteenth, fifteenth and sixteenth resolutions, in order to satisfy surplus demand, if any.

The additional shares or securities will be offered for subscription at the price charged for the initial issue, within the deadlines and limits prescribed in the laws and regulations in force on the date of issue (currently within 30 days of the end of the subscription period and no more than 15% of the initial issue).

The nominal amount of issues that may be undertaken under this delegation will be applied against the cap referred to in the resolution under which the initial issue was made, and against the aggregate cap referred to in the fourteenth resolution.

The Board of Directors invites shareholders to approve this resolution.

Seventeenth resolution – Delegation of authority to the Board of Directors to decide to increase the amount of the issues undertaken, with maintenance or waiver of preferential subscription rights in the case of surplus demand, pursuant to the fourteenth, fifteenth and sixteenth resolutions

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings,

and having taken note of the following:

- the report of the Board of Directors for the General Meeting,
- the report of the Statutory Auditors on the seventeenth resolution,

in accordance with the provisions of Article L. 225-135-1 of the Commercial Code,

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delegates to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, its authority to decide to increase the number of shares or securities to be issued within the framework of any issue undertaken under the fourteenth, fifteenth and/or sixteenth resolutions of this General Meeting, in the event that the Board of Directors registers surplus demand, at the price charged for the initial issue and within the deadlines and limits prescribed in the laws and regulations in force on the date of issue (currently within 30 days of the end of the subscription period and no more than 15% of the initial issue),

resolves that the nominal amount of the issues decided under this delegation will be applied against the cap referred to in the resolution under which the initial issue was undertaken, as well as against the aggregate cap referred to in the fourteenth resolution,

resolves to grant this delegation for a period of 26 months, with effect from the date of this General Meeting,

resolves that this delegation invalidates the unused part of any previous delegation having the same purpose,

resolves that, in the event that the Board of Directors uses this delegation, it will be required to report back to the next Ordinary General Meeting on its use of this delegation in accordance with applicable laws and regulations,

and grants full powers to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, to implement this delegation and, in particular, to take such steps as are appropriate and enter into any agreements, in particular to ensure the successful completion of the planned issues, record completion and make the corresponding amendments to the Memorandum and Articles of Association, carry out all formalities and file all statements relevant for the issue, listing and financial administration of the securities issued under this delegation as well as the exercise of the rights attached thereto and request any and all permissions that prove necessary.

8.2.2.6. Resolution 18: grant of authorisation to the Board of Directors to set the price of issues by means of a public offering or an offering referred to in Article L. 411-2(II) of the Monetary and Finance Code of ordinary shares or securities, with waiver of preferential subscription rights, within a limit of 10% of the capital

Explanation

The eighteenth resolution is designed to renew the authorisation granted to the Board of Directors to set the price of issues by means of a public offering or an offering referred to in Article L. 411-2(II) of the Monetary and Finance Code of ordinary shares or securities, with waiver of preferential subscription rights, within a limit of 10% of the capital.

The Statutory Auditors have issued a report on this resolution, set out in section 8.3.2, page 230 of the Registration Document for the 2013 financial year.

The Board of Directors has not used the existing authorisation, granted to it by the General Meeting at its meeting of 31 May 2012.

The Board of Directors proposes that the General Meeting renew this authorisation for a period of 26 months and cancel the existing authorisation.

If the General Meeting approves this proposal, the Board of Directors will be authorised, with the power to sub-delegate, to derogate from the terms and conditions governing the setting of prices as laid down in the fifteenth and sixteenth resolutions, pursuant to the provisions of the second paragraph of Article L. 225-136(1) of the Commercial Code for issues of ordinary shares and/or securities giving immediate or subsequent access to capital. If this authorisation is used, the issue price will be set as follows:

- the issue price of shares will be the volume-weighted average price of the Company's shares on the regulated NYSE Euronext Paris market on the last trading day closed prior to the date on which the Board of Directors decided the relevant issue, to which a discount of no more than 10% may be applied,
- for securities giving access to capital, the issue price will be such that the amount received immediately by the Company, plus any amount that may subsequently be received by the Company, will be, for each of the Company's shares issued as a result of the issue of these securities, at least equal to the amount defined above.

The nominal amount of the capital increases that may be implemented under this authorisation may not exceed 10% of the share capital, over any twelve-month period (said capital being assessed on the date of the Board of Directors' decision setting the issue price). This amount will be applied against the maximum nominal amount referred to in the fifteenth or sixteenth resolution as applicable, as well as against the aggregate nominal cap of €357,000 set in the fourteenth resolution.

The Board of Directors invites shareholders to approve this resolution.

Eighteenth resolution – Grant of authorisation to the Board of Directors to set the price of issues by means of a public offering or an offering referred to in Article L. 411-2(II) of the Monetary and Finance Code of ordinary shares or securities, with waiver of preferential subscription rights, within a limit of 10% of the capital

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings,

and having taken note of the following:

- the report of the Board of Directors for the General Meeting,
- the report of the Statutory Auditors on the eighteenth resolution,

in accordance with the provisions of Article L. 225-136 of the Commercial Code,

authorises the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, for issues of ordinary shares and/or securities giving immediate or subsequent access to capital undertaken pursuant to the fifteenth and sixteenth resolutions of this General Meeting, to derogate from the terms and conditions governing the setting of prices referred to in said resolutions, pursuant to the provisions of the second paragraph of Article L. 225-136(1) of the Commercial Code, and to set prices in accordance with the following provisions:

- the issue price of shares will be the volume-weighted average price of the Company's shares on the regulated NYSE Euronext Paris market on the last trading day closed prior to the date on which the Board of Directors decided the relevant issue, to which a discount of no more than 10% may be applied,
- for securities giving access to capital, the issue price will be such that the amount received immediately by the Company, plus any amount that may subsequently be received by the Company, will be, for each of the Company's shares issued as a result of the issue of these securities, at least equal to the amount defined above,

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resolves that the nominal amount of the capital increases that may be implemented under this authorisation may not exceed 10% of the share capital, over any twelve-month period (said capital being assessed on the date of the Board of Directors' decision setting the issue price), it being specified that this amount will be applied against:

- the maximum nominal amount referred to in the fifteenth or sixteenth resolution of this General Meeting, as applicable, and
- the aggregate maximum nominal amount set in the fourteenth resolution of this General Meeting,

resolves to grant this delegation for a period of 26 months, with effect from the date of this General Meeting,

resolves that this delegation invalidates the unused part of any previous delegation having the same purpose,

resolves that, in the event that the Board of Directors uses this delegation, it will be required to report back to the next Ordinary General Meeting on its use of this delegation in accordance with applicable laws and regulations,

and grants full powers to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, to implement this delegation and, in particular, to take such steps as are appropriate and enter into any agreements, in particular to ensure the successful completion of the planned issues, record completion and make the corresponding amendments to the Memorandum and Articles of Association, carry out all formalities and file all statements and request any and all permissions that prove necessary.

8.2.2.7. Resolution 19: delegation of powers to the Board of Directors to issue ordinary shares and/or securities giving immediate or subsequent access to capital to remunerate contributions in kind made to the Company, within a limit of 10% of the capital

Explanation

The nineteenth resolution is designed to renew the delegation of powers granted to the Board of Directors to issue ordinary shares and/or securities giving immediate or subsequent access to capital to remunerate contributions in kind made to the Company, within a limit of 10% of the capital.

The Statutory Auditors have issued a report on this resolution, set out in section 8.3.2, page 230 of the Registration Document for the 2013 financial year.

The Board of Directors has not used the existing delegation, granted to it by the General Meeting at its meeting of 31 May 2012.

The Board of Directors proposes that the General Meeting renew this delegation for a period of 26 months and cancel the existing delegation.

If the General Meeting approves this proposal, the Board of Directors will have the necessary powers to decide, with the power to sub-delegate, to issue ordinary shares and/or securities giving immediate or subsequent access to capital to remunerate contributions in kind made to the Company and comprising capital securities or securities (other than contributions of securities pursuant to a public exchange offer).

The shares or securities will be issued pursuant to a report by one or more Contribution Auditors.

The nominal amount of the capital increases that may be carried out under this delegation may not exceed 10% of the capital on the date on which the issue is decided. This amount will be applied against the aggregate nominal cap referred to in the fourteenth resolution. It will be increased, where applicable, by the additional nominal amount of the shares that may be issued to protect the rights of any holders of securities giving access to capital.

The Company's shareholders will not be granted preferential subscription rights to securities that may be issued under this delegation.

Under this delegation, shareholders are automatically deemed to have waived their preferential subscription rights, in favour of the holders of the securities issued, in respect of ordinary shares in the Company to which said holders may be entitled under the rights attaching to said securities.

The Board of Directors invites shareholders to approve this resolution.

Nineteenth resolution – Delegation of powers to the Board of Directors to issue ordinary shares and/or securities giving immediate or subsequent access to capital to remunerate contributions in kind made to the Company, within a limit of 10% of the capital

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings,

and having taken note of the following:

- the report of the Board of Directors for the General Meeting,
- the report of the Statutory Auditors on the nineteenth resolution,

in accordance with the provisions of Article L. 225-129 *et seq.*, Article L. 228-91 *et seq.* and Article L. 225-147 of the Commercial Code,

delegates to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, the necessary powers to decide, pursuant to a report of the Contribution Auditor(s) referred to in the first and second paragraphs of Article L. 225-147 of the Commercial Code, to issue ordinary shares in the Company and/or securities giving immediate or subsequent access, by any means, to existing and/or future shares in the Company to remunerate contributions in kind made to the Company and comprising capital securities or securities when the provisions of Article L. 225-148 of the Commercial Code on contributions of securities pursuant to a public exchange offer do not apply,

resolves that the nominal amount of the capital increases that may be carried out under this delegation may not exceed 10% of the Company's capital on the date on which the Board of Directors decides the issue, it being specified that:

- the nominal amount of the capital increases that may be carried out under this delegation will be applied against the aggregate maximum nominal amount set in the fourteenth resolution of this General Meeting,
- this amount will be increased, where applicable, by the additional nominal amount of the ordinary shares that may be issued to protect, in accordance with applicable laws and regulations and any applicable contractual provisions providing for other cases of adjustment, the rights of holders of securities giving access to capital,

notes that shareholders will not be granted preferential subscription rights for the securities that may be issued under this delegation,

notes that under this delegation, shareholders are automatically deemed to have waived their preferential subscription rights in respect of ordinary shares in the Company to which the holders of securities issued under this delegation may be entitled under the rights attaching to said securities,

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resolves to grant this delegation for a period of 26 months, with effect from the date of this General Meeting,

resolves that this delegation invalidates the unused part of any previous delegation having the same purpose,

resolves that, in the event that the Board of Directors uses this delegation, it will be required to report back to the next Ordinary General Meeting on its use of this delegation in accordance with applicable laws and regulations and to present the report of the Contribution Auditor(s) referred to in the first and second paragraphs of Article L. 225-147 of the Commercial Code to shareholders at the next General Meeting, pursuant to the provisions of Article R. 225-136 of the Commercial Code,

and grants full powers to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, to implement this delegation, and in particular to:

- vote on the report of the Contribution Auditor(s) referred to in the first and second paragraphs of Article L. 225-147 of the Commercial Code, on the valuation of the contributions, the granting of special privileges and on their value,
- reduce, if the persons making the contributions agree, the value assigned to the contributions or the remuneration of special privileges,
- fix the number of securities to be issued to remunerate the contributions and the date on which dividend and other rights accrue thereon,
- of its own motion, allocate the cost of the capital increase against the amount of the relevant premiums and deduct the sums required to fund the statutory reserve from this amount, and
- take such steps as are appropriate and enter into any agreements for the purpose of implementing this delegation, in particular to ensure the successful completion of the planned issues, record completion and make the corresponding amendments to the Memorandum and Articles of Association, carry out all formalities and file all statements relevant for the issue, listing and financial administration of the securities issued under this delegation as well as the exercise of the rights attached thereto and request any and all permissions that prove necessary.

8.2.2.8. Resolution 20: delegation of authority to the Board of Directors to decide to issue ordinary shares and/or securities giving immediate or subsequent access to capital to remunerate contributions of securities pursuant to a public exchange offer

Explanation

The twentieth resolution is designed to renew the delegation of authority granted to the Board of Directors to issue ordinary shares and/or securities giving immediate or subsequent access to capital to remunerate contributions of securities pursuant to a public exchange offer.

The Statutory Auditors have issued a report on this resolution, set out in section 8.3.2, page 230 of the Registration Document for the 2013 financial year.

The Board of Directors has not used the existing delegation, granted to it by the General Meeting at its meeting of 31 May 2012.

The Board of Directors proposes that the General Meeting should renew this delegation for a period of 26 months and cancel the existing delegation.

If the General Meeting approves this proposal, the Board of Directors will have the authority to decide, with the power to sub-delegate, to issue shares in the Company and/or securities giving immediate or subsequent access, by any means, to existing and/or future shares in the Company to remunerate contributions of securities made pursuant to a public exchange offer initiated by the Company in respect of its own securities or the securities of another company listed on one of the regulated markets referred to in Article L. 225-148 of the Commercial Code.

The nominal amount of the capital increases that may be carried out under this delegation may not exceed €215,000 (corresponding to approximately 19% of the capital as at 31 December 2013). This amount will be applied against the aggregate cap of €357,000 referred to in the fourteenth resolution. It will be increased, where applicable, by the additional nominal amount of the shares that may be issued to protect the rights of any holders of securities giving access to capital.

The Company's shareholders will not be granted preferential subscription rights for the securities that may be issued under this delegation.

Under this delegation, shareholders are automatically deemed to have waived their preferential subscription rights, in favour of the holders of the securities issued, in respect of ordinary shares in the Company to which said holders may be entitled under the rights attaching to said securities.

The Board of Directors invites shareholders to approve this resolution.

Twentieth resolution – Delegation of authority to the Board of Directors to decide to issue ordinary shares and/or securities giving immediate or subsequent access to capital to remunerate contributions of securities pursuant to a public exchange offer

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings,

and having taken note of the following:

- the report of the Board of Directors for the General Meeting,
- the report of the Statutory Auditors on the twentieth resolution,

in accordance with the provisions of Article L. 225-129 *et seq.*, Article L. 225-148 and Article L. 228-91 *et seq.* of the Commercial Code,

delegates to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, its authority to decide to issue shares in the Company and/or securities giving immediate or subsequent access, by any means, to existing and/or future shares in the Company to remunerate contributions of securities made pursuant to a public exchange offer initiated by the Company in respect of its own securities or the securities of another company listed on one of the regulated markets referred to in Article L. 225-148 of the Commercial Code,

resolves that the maximum nominal amount of the capital increases under this delegation, that may be carried out immediately or in the future, may not exceed €215,000, it being specified that:

- this amount will be applied against the aggregate maximum nominal amount referred to in the fourteenth resolution of this General Meeting,
- this amount will be increased, where applicable, by the additional nominal amount of ordinary shares that may be issued to protect, in accordance with applicable laws and regulations and any applicable contractual provisions providing for other cases of adjustment, the rights of holders of securities giving access to capital,

notes that shareholders will not be granted preferential subscription rights for the securities that may be issued under this delegation,

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notes that under this delegation, shareholders are automatically deemed to have waived their preferential subscription rights, pursuant to the provisions of Article L. 225-132 of the Commercial Code, in respect of the shares to which the holders of securities issued under this delegation may be entitled under the rights attaching to said securities,

resolves to grant this delegation for a period of 26 months, with effect from the date of this General Meeting,

resolves that this delegation invalidates the unused part of any previous delegation having the same purpose,

resolves that, in the event that the Board of Directors uses this delegation, it will be required to report back to the next Ordinary General Meeting on its use of this delegation in accordance with applicable laws and regulations,

and grants full powers to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, to implement this delegation, and in particular to:

- set the exchange ratio and, where applicable, the amount of the cash balance to be paid,
- record the number of securities contributed pursuant to the exchange together with the number of shares or securities to be created as remuneration for said contribution,
- determine the dates, terms and conditions of issue, in particular the price and the date on which dividend and other rights accrue, which may be retroactive, of the new shares or, where applicable, the securities giving immediate and/or subsequent access to shares in the Company,
- recognise as a liability on the balance sheet, in the contribution premium account, the difference between the issue price of the new shares and their nominal value, to which the rights of all shareholders will apply,
- of its own motion, allocate the cost of the capital increase against the amount of the relevant contribution premium, and
- take such steps as are appropriate and enter into any agreements for the purpose of implementing this delegation, in particular to ensure the successful completion of the planned issues, record completion and make the corresponding amendments to the Memorandum and Articles of Association, carry out all formalities and file all statements relevant for the issue, listing and financial administration of the securities issued under this delegation as well as the exercise of the rights attached thereto and request any and all permissions that may prove necessary.

8.2.2.9. Resolution 21: delegation of authority to the Board of Directors to decide to issue ordinary shares and/or securities giving immediate or subsequent access to capital to members of Company or Group savings plans, with waiver of preferential subscription rights

Explanation

The twenty-first resolution is designed to renew the delegation of authority granted to the Board of Directors to decide to issue ordinary shares and/or securities giving immediate or subsequent access to capital to members of company or group savings plans, with waiver of preferential subscription rights.

The Statutory Auditors have issued a report on this resolution, set out in section 8.3.3, page 232 of the Registration Document for the 2013 financial year.

The Board of Directors has not used the existing delegation, granted to it by the General Meeting at its meeting of 31 May 2012.

The Board of Directors proposes that the General Meeting renew this delegation for a period of 26 months and cancel the existing delegation.

If the General Meeting approves this proposal, the Board of Directors will have the authority to decide, with the power to sub-delegate, to issue shares and/or securities giving access to capital to members of one or more company or group savings plans.

The nominal amount of the capital increases that may be carried out under this delegation may not exceed €50,000 (corresponding to approximately 4% of the capital as at 31 December 2013). This amount will be applied against the aggregate nominal cap of €357,000 referred to in the fourteenth resolution. It will be increased, where applicable, by the additional nominal amount of the shares that may be issued to protect the rights of any holders of securities giving access to capital.

The preferential subscription rights granted to shareholders in respect of the securities to be issued under this delegation will be waived in favour of members of the relevant savings plans.

If this delegation is used, the issue price of new shares or securities giving access to capital will be determined in accordance with the provisions of Article L. 3332-18 *et seq.* of the Labour Code and may not be less than 95% of the average opening price of the Company's shares on the regulated NYSE Euronext Paris market in the twenty trading days prior to the date of the Board of Directors' decision setting the date on which the subscription period opens.

Within this framework, the Board of Directors will be authorised to reduce or cancel the above-mentioned discount, within the limits of applicable laws and regulations, in particular in order to take into account, where applicable, the legal, accounting, fiscal and employment framework of the countries in which the beneficiaries reside.

The Board of Directors may also decide to allot existing or future shares or other securities giving access to capital to members of the above-mentioned savings plans, free of charge, by way of:

- the employer's contribution that may be paid under the rules governing company or group savings plans,
- and/or, where applicable, the discount that may be applied to the subscription price in accordance with the provisions set out above.

If the members of the relevant savings plans do not subscribe for the entire capital increase within the allotted time, the capital will only be increased by the amount of the shares subscribed for and the remaining shares may be reoffered to said beneficiaries within the framework of a capital increase carried out at a later date.

The Board of Directors invites shareholders to approve this resolution.

Twenty-first resolution – Delegation of authority to the Board of Directors to decide to issue ordinary shares and/or securities giving immediate or subsequent access to capital to members of Company or Group savings plans, with waiver of preferential subscription rights

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings,

and having taken note of the following:

- the report of the Board of Directors for the General Meeting,
- the report of the Statutory Auditors on the twenty-first resolution,

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in accordance with the provisions of Articles L. 225-129-2, L. 225-129-6, L. 225-138-1 and L. 228-91 *et seq.* of the Commercial Code and Article L. 3332-1 *et seq.* of the Labour Code,

delegates to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, its authority to decide to issue shares and/or securities giving immediate or subsequent access to capital to members of one or more company or group savings plans established jointly by the Company and French or foreign related companies in accordance with the provisions of Article L. 225-180 of the Commercial Code and Article L. 3344-1 of the Labour Code,

resolves to waive the preferential subscription rights granted to shareholders in respect of the securities to be issued under this delegation in favour of the beneficiaries defined above,

resolves that the issue price of the new shares or securities giving access to capital will be determined in accordance with the provisions of Article L. 3332-18 *et seq.* of the Labour Code and will not be less than 95% of the average opening price of the Company's shares on the regulated NYSE Euronext Paris market in the twenty trading days prior to the date of the Board of Directors' decision setting the date on which the subscription period opens and expressly authorises the Board of Directors to reduce or cancel the above-mentioned discount, within the limits of applicable laws and regulations, in particular in order to take into account, where applicable, the legal, accounting, fiscal and employment framework of the countries in which the beneficiaries reside,

resolves that the nominal amount of the capital increases that may be carried out under this delegation may not exceed €50,000, it being specified that:

- the nominal amount of the capital increases that may be carried out under this delegation will be applied against the aggregate maximum nominal amount set in the fourteenth resolution of this General Meeting,
- this amount will be increased, where applicable, by the additional nominal amount of the ordinary shares that may be issued to protect, in accordance with applicable laws and regulations and any applicable contractual provisions providing for other cases of adjustment, the rights of holders of securities giving access to capital,

resolves, pursuant to the provisions of Article L. 3332-21 of the Labour Code, that the Board of Directors may decide to allot existing or future shares or other securities giving access to the Company's capital to the beneficiaries defined above, free of charge, by way of:

- the employer's contribution that may be paid under the rules governing Company or Group savings plans, and/or
- where applicable, the discount,

also resolves that if the beneficiaries described above do not subscribe for the entire capital increase within the allotted time, the capital will only be increased by the amount of the shares subscribed for and the remaining shares may be reoffered to said beneficiaries within the framework of an increase to be carried out at a later date,

resolves to grant this delegation for a period of 26 months, with effect from the date of this General Meeting,

resolves that this delegation invalidates the unused part of any previous delegation having the same purpose,

resolves that, in the event that the Board of Directors uses this delegation, it will be required to report back to the next Ordinary General Meeting on its use of this delegation in accordance with applicable laws and regulations,

and grants full powers to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, to implement this delegation, and in particular to:

- decide that subscriptions may be made directly or through employee mutual funds or other vehicles or entities allowed under applicable laws and regulations,
- establish the criteria applicable to companies, in order to allow their employees to benefit from the capital increases carried out under this delegation and draw up a list of said companies,
- determine the dates, terms and conditions and procedures for the issues carried out under this delegation, in particular the subscription price, fix the dates on which the subscription period opens and closes, the dates on which dividend and other rights accrue, the arrangements for paying up shares in the Company and grant extra time for payment thereof,
- of its own motion, allocate the cost of the capital increase against the amount of the relevant premiums and deduct the sums required to fund the statutory reserve from this amount, and
- take such steps as are appropriate and enter into any agreements for the purpose of implementing this delegation, in particular to ensure the successful completion of the planned issues, record completion in the amount of the shares subscribed for and make the corresponding amendments to the Memorandum and Articles of Association, carry out all formalities and file all statements relevant for the issue, listing and financial administration of the securities issued under this delegation as well as the exercise of the rights attached thereto and request any and all permissions that may prove necessary.

8.2.2.10. Resolution 22: delegation of authority to the Board of Directors to decide to increase the capital by capitalising premiums, reserves, profit or other sums eligible for capitalisation

Explanation

The twenty-second resolution is designed to renew the delegation of authority granted to the Board of Directors to decide to increase the capital by capitalising premiums, reserves, profit or other sums eligible for capitalisation.

The Board of Directors has not used the existing delegation, granted to it by the General Meeting at its meeting of 31 May 2012.

The Board of Directors proposes that the General Meeting renew this delegation for a period of 26 months and cancel the existing delegation.

If the General Meeting approves this proposal, the Board of Directors will have the authority to decide, with the power to sub-delegate, one or more capital increases by the subsequent or simultaneous capitalisation of reserves, profit, issue, contribution or merger premiums or any other sums eligible for capitalisation under applicable laws and provisions of the Memorandum and Articles of Association, in the form of bonus share allotments and/or an increase in the nominal value of existing shares.

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If the capital is increased by means of a bonus share allotment, the Board of Directors may decide that the allotment rights for fractional shares will not be tradable and that the corresponding shares will be sold, with the proceeds of the sale being allotted to rights holders in accordance with applicable laws and regulations.

The nominal amount of the capital increases that may be carried out under this delegation may not exceed the amount of the sums that may be capitalised on the date of the Board of Directors' decision. This amount will not be applied against the aggregate cap referred to in the fourteenth resolution. It will be increased, where applicable, by the additional nominal amount of the shares that may be issued to protect the rights of any holders of securities giving access to capital.

The Board of Directors invites shareholders to approve this resolution.

Twenty-second resolution – Delegation of authority to the Board of Directors to decide to increase the capital by capitalising premiums, reserves, profit or other sums eligible for capitalisation

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings,

and having taken note of the report of the Board of Directors for the General Meeting,

in accordance with the provisions of Article L. 225-129 *et seq.* and Article L. 225-130 of the Commercial Code,

delegates to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, its authority to decide one or more capital increases, in the proportions and at the times it decides, by means of the subsequent or simultaneous capitalisation of reserves, profit, issue, contribution or merger premiums or any other sums eligible for capitalisation under applicable laws and provisions of the Memorandum and Articles of Association, in the form of bonus share allotments and/or an increase in the nominal value of existing shares,

resolves that the nominal amount of the capital increases that may be carried out under this delegation may not exceed the amount of the sums that may be capitalised on the date of the Board of Directors' decision under this delegation, it being specified that:

- the nominal amount of the capital increases that may be carried out under this delegation will not be applied against the aggregate maximum nominal amount set in the fourteenth resolution of this General Meeting,
- this cap will be increased, where applicable, by the additional amount of the ordinary shares that may be issued to protect, in accordance with applicable laws and any applicable contractual provisions providing for other cases of adjustment, the rights of holders of securities carrying an entitlement to capital securities in the Company,

resolves that if the capital is increased by means of a bonus share allotment and in accordance with the provisions of Article L. 225-130 of the Commercial Code, the Board of Directors may decide that the allotment rights for fractional shares will not be tradable and that the corresponding shares will be sold, with the proceeds of the sale being allotted to rights holders in accordance with applicable laws and regulations,

resolves to grant this delegation for a period of 26 months, with effect from the date of this General Meeting,

resolves that this delegation invalidates the unused part of any previous delegation having the same purpose,

resolves that, in the event that the Board of Directors uses this delegation, it will be required to report back to the next Ordinary General Meeting on its use of this delegation in accordance with applicable laws and regulations,

and grants full powers to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, to implement this delegation, and in particular to:

- set the amount and type of the sums to be capitalised,
- set the number of new shares to be issued and/or the amount of the increase in nominal value of the existing shares comprising the share capital, set the date, even retroactively, on which dividend and other rights will accrue on the new shares or the effective date of the increase in nominal value, and
- take such steps as are appropriate and enter into any agreements for the purpose of implementing this delegation, in particular to ensure the successful completion of the planned issues, record completion and make the corresponding amendments to the Memorandum and Articles of Association, carry out all formalities and file all statements relevant for the issue, listing and financial administration of the securities issued under this delegation and request any and all permissions that may prove necessary.

8.2.2.11. Resolution 23: grant of authorisation to the Board of Directors to allot existing or new bonus shares to employees and corporate officers of the Company and related companies

Explanation

The twenty-third resolution is designed to authorise the Board of Directors to allot bonus shares to employees and corporate officers of the Company and related companies.

The Statutory Auditors have issued a report on this resolution, set out in section 8.3.4, page 233 of the Registration Document for the 2013 financial year.

The authorisation granted to the Board of Directors by the General Meeting of 14 March 2012, for a maximum of 810,000 shares (corresponding to approximately 2.8% of the capital as at 31 December 2011), was nearly used up in the 2012 and 2013 financial years, within the framework of a bonus share plan implemented by the Board of Directors at its meeting of 26 July 2012. This plan has benefited both employees of the Company and employees of the Group's operating companies, who were allotted shares on 13 January 2014 subject to satisfactory operational performance conditions based on average installation availability in 2012 and 2013.

In furtherance of the policy implemented in 2012, to involve employees in the creation of value, the Board of Directors proposes that the General Meeting renew the Board of Directors' authorisation to allot bonus shares in the Company for a period of 38 months, with a view to implementing one or more new bonus share plan(s) during the 2014 financial year.

Under this authorisation, a maximum of 830,000 shares may be allotted, representing approximately 2.8% of the capital as at 31 December 2013, corresponding to the same level of dilution as was authorised by the General Meeting on 14 March 2012. This cap will be applied against the aggregate maximum nominal amount set in the fourteenth resolution of this General Meeting with regard to any new shares that may be issued.

If the General Meeting grants this authorisation, the bonus share plan may benefit all of the staff of the Company and its related companies. The Board of Directors may decide that bonus share allotments are subject to individual or collective performance conditions, for all or some of the categories of relevant beneficiaries, at its own discretion.

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The total number of shares that may be allotted to the Chairman and Chief Executive Officer pursuant to this authorisation may not exceed 20% of the total number of shares to be allotted, that is, 166,000 shares, representing approximately 0.6% of the capital as at 31 December 2013.

Shares will only be effectively allotted, in all cases, if performance conditions determined by the Board of Directors are met. If these performance conditions are met, the shares will be effectively allotted at the end of a minimum acquisition period of two years, starting from the date of the Board of Directors' decision to allot the shares. In such a case, the beneficiaries will be required to keep their shares for a minimum period of two years. However, the Board of Directors has the right to fix a minimum acquisition period of four years, in which case no lock-in period will apply.

In all cases, the Board of Directors has the right to set longer acquisition and lock-in periods, over and above these minimum periods, even if these periods are no longer required under applicable laws and regulations in France.

However, shares may be effectively allotted prior to the end of the acquisition period in the event that beneficiaries are classed as disabled, in the second or third category described in Article L. 341-4 of the Social Security Code. In this case, the shares may be transferred without restriction with immediate effect.

If the General Meeting grants this authorisation, the Board of Directors will determine the identity of the persons to whom the shares will be allotted. It will make its decision based on the proposals of General Management, after the Nomination and Remuneration Committee has issued its opinion on these proposals. Shares allotted to the Chairman and Chief Executive Officer will be decided by the Board of Directors, which will rule on the recommendations of the Nomination and Remuneration Committee.

The Board of Directors will determine the minimum percentage of effectively acquired shares that the Chairman and Chief Executive Officer is required to hold as a registered shareholder until he stands down from office. This percentage may not be less than 25% of the number of shares effectively acquired.

If the performance conditions are met, shares will be effectively allotted in the form of an allotment of shares previously held by the Company or a capital increase. In the latter case, the capital will be increased by capitalising reserves, profit or issue premiums in favour of the beneficiaries of said shares. Accordingly, if the General Meeting grants this authorisation, shareholders will be automatically deemed to have waived their preferential subscription rights, in favour of the beneficiaries, in respect of said shares and the capitalised part of the reserves, profit and premiums.

The Board of Directors invites shareholders to approve this resolution.

Twenty-third resolution – Grant of authorisation to the Board of Directors to allot existing or new bonus shares to employees and corporate officers of the Company and related companies

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings,

and having taken note of the following:

- the report of the Board of Directors for the General Meeting,
- the report of the Statutory Auditors on the twenty-third resolution,

in accordance with the provisions of Article L. 225-129 *et seq.* and Article L. 225-197-1 *et seq.* of the Commercial Code,

authorises the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, to allot existing and/or new bonus shares in the Company, in one or more allotments, to members of employed staff and/or corporate officers of the Company and/or companies or groupings that are directly or indirectly related to the Company in accordance with the provisions of Article L. 225-197-1 *et seq.* of the Commercial Code,

resolves that the Board of Directors will determine the identity of the beneficiaries of the allotments and the number of shares to be allotted to each beneficiary, the terms and conditions of allotment and, where applicable, the criteria to be met for share allotments and will have, in particular, the right to make the allotment of the shares conditional on attendance and/or individual or collective performance criteria,

resolves that the number of bonus shares that may be allotted under this authorisation may not exceed 830,000 shares (corresponding to approximately 2.8% of the capital as at 31 December 2013), subject to regulatory adjustments required to protect beneficiary rights, on the understanding that if new shares are to be allotted, this cap will be applied against the aggregate maximum nominal amount set in the fourteenth resolution of this General Meeting,

resolves that the number of bonus shares that may be allotted to the Company's Chairman and Chief Executive Officer pursuant to this authorisation may not exceed 166,000 shares (i.e. 20% of the aggregate cap applicable to this authorisation), subject to regulatory adjustments required to protect beneficiary rights,

resolves that shares will be effectively allotted to their beneficiaries, subject to any conditions imposed by the Board of Directors, at the end of a minimum acquisition period of two years and that beneficiaries must retain said shares for an additional minimum period of two years, starting from the date on which the shares are effectively allotted, without prejudice, in all cases, to the exceptions provided for in applicable laws and regulations,

as an exception to the foregoing, authorises the Board of Directors to decide, in the event that said shares are effectively allotted to certain beneficiaries at the end of a minimum acquisition period of four years, not to impose any lock-in period on said beneficiaries,

resolves that shares may be effectively allotted prior to the end of the acquisition period in the event that the beneficiaries are classed as disabled, in the second or third category described in Article L. 341-4 of the Social Security Code and that the shares may be transferred without restriction with immediate effect,

notes that the Board of Directors will be responsible for determining the specific lock-in conditions applicable to shares allotted to the corporate officers referred to in the fourth paragraph of Article L. 225-197-1(II) of the Commercial Code,

authorises the Board of Directors, where applicable, to adjust the number of bonus shares allotted during the acquisition period in the event of financial transactions modifying the number of Company securities that do not also modify the amount of shareholders' equity (in particular in the event of a stock split or a reverse stock split),

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authorises the Board of Directors, in the event that the bonus share allotment involves new shares, to increase the capital, in one or more transactions, by capitalising reserves, profit or issue premiums in favour of the beneficiaries of said shares and notes that accordingly, under this authorisation, shareholders are automatically deemed to have waived their preferential subscription rights, in favour of the beneficiaries, in respect of said shares and the capitalised part of the reserves, profit and premiums, a transaction for which the Board of Directors has delegated authority pursuant to Article L. 225-129-2 of the Commercial Code,

resolves to grant this authorisation for a period of 38 months, with effect from the date of this General Meeting,

resolves that this authorisation invalidates the unused part of any previous authorisation for the same purpose,

resolves that, in the event that the Board of Directors uses this authorisation, it will be required to report back to the next Ordinary General Meeting on its use of this authorisation in accordance with applicable laws and regulations,

and grants full powers to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, to implement this authorisation, and in particular to:

- determine if the bonus share allotments will relate to new or existing shares,
- determine the identity of beneficiaries and the number of shares allotted to each beneficiary,
- set, in accordance with the provisions and limits of applicable laws and regulations, the dates on which the bonus shares will be allotted,
- establish the other conditions and terms of share allotments, in particular the acquisition and lock-in period for the allotted shares, in the rules for the bonus share plan,
- decide the terms and conditions under which the number of bonus shares allotted will be adjusted, in compliance with applicable laws and regulations, and
- take such steps as are appropriate and enter into any agreements for the purpose of implementing this authorisation, in particular to ensure the successful completion of the planned allotments and issues, record completion and make the corresponding amendments to the Memorandum and Articles of Association, carry out all formalities and file all statements relevant for the allotment, issue, listing and financial administration of the securities issued under this authorisation as well as the exercise of the rights attached thereto and request any and all permissions that prove necessary.

8.2.2.12. Resolution 24: amendment to Article 32 of the Memorandum and Articles of Association relating to the organisation of General Meetings

Explanation

The twenty-fourth resolution is designed to amend Article 32 of the Memorandum and Articles of Association relating to the organisation of General Meetings.

The Board of Directors submits this amendment to the General Meeting with a view to:

- ensuring that the drafting of this article complies with applicable laws and regulations regarding proof of shareholder status at General Meetings;
- authorising the Board of Directors to give shareholders the opportunity to vote electronically prior to General Meetings, if it deems fit.

The Board of Directors invites shareholders to approve this resolution.

Twenty-fourth resolution – Amendment to Article 32 of the Memorandum and Articles of Association relating to the organisation of General Meetings

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings,

and having taken note of the report of the Board of Directors for the General Meeting,

resolves to amend Article 32 of the Memorandum and Articles of Association, which will henceforth read as follows:

“General Meetings shall comprise all shareholders, irrespective of the number of shares they hold, provided all amounts due thereon have been fully paid up and also provided they have not been stripped of their voting rights.

General Meetings shall be held and transact business in accordance with the provisions of applicable laws and regulations. In particular, all shareholders are allowed, if decided by the Board of Directors and published in the notice prior to the General Meeting and/or in the notice of call to meeting, to vote at the said General Meeting using any means of electronic communication allowing the shareholder to be identified, in accordance with the provisions and procedures set out in applicable laws and regulations.

All shareholders are entitled to attend General Meetings, in person or through a proxy, provided that they produce proof of their identity and title to their securities, in accordance with the provisions of applicable laws and regulations.

Shareholders may vote using a ballot form in accordance with the provisions and procedures set out in applicable laws and regulations. In particular, all shareholders are entitled to submit ballot forms prior to General Meetings, either in paper form or, if decided by the Board of Directors and published in the notice prior to the General Meeting and/or in the notice of call to meeting, by a method of electronic communication.

Shareholders may vote through a proxy in accordance with the provisions and procedures set out in applicable laws and regulations. In particular, all shareholders are entitled to submit proxy forms prior to General Meetings in paper form or by a method of electronic communication. Whenever a shareholder submits a proxy form without designating the proxy holder, the Chairman of the General Meeting shall vote in favour of all resolutions presented or approved by the Board of Directors, and against all other resolutions. In order to vote differently, the shareholder must designate a proxy holder who must agree to vote in the manner stated on the proxy form.

In the event a shareholder attends a meeting in person, his proxy or ballot form shall be cancelled, provided the shareholder has expressly requested an admission pass at least three business days before the date of the meeting.

Ballot and proxy forms may only be submitted electronically if said forms contain an electronic signature, resulting from a reliable process identifying the shareholder and guaranteeing his/her relationship with the online form to which the signature is affixed. Votes cast prior to a General Meeting using this electronic procedure and the relevant acknowledgement of receipt will be treated as irrevocable, enforceable written documents. However, the appointment of a proxy may be revoked using the same procedure as that required for the appointment of a proxy.

If securities are transferred prior to midnight Paris time on the third working day preceding the General Meeting, the Company shall cancel the proxy or vote cast prior to the General Meeting or amend them accordingly, as applicable.

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Shareholders that are legal entities may be represented at any General Meeting by one of their partners, directors or employees, who may but need not be a shareholder in a personal capacity, provided they can produce proof of their office or position.

Joint shareholders shall be represented at General Meetings by one of them, or by a single representative. In the event of any disagreement, the representative shall be appointed by the court following an application by the first joint shareholder to act.

The voting rights attached to a share shall belong to the beneficial owner at both Ordinary General Meetings and Extraordinary General Meetings."

and grants full powers to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, to amend the Memorandum and Articles of Association and carry out all steps and formalities.

8.2.2.13. Resolution 25: amendment to Article 38 of the Memorandum and Articles of Association relating to the powers of Ordinary General Meetings

Explanation

The twenty-fifth resolution is designed to amend Article 38 of the Memorandum and Articles of Association relating to the powers of Ordinary General Meetings.

The Board of Directors proposes to remove the sixth paragraph of Article 38 of the Memorandum and Articles of Association, under which the General Meeting had sole power to issue bonds. The proposed amendment transfers this power to the Board of Directors, to give it more flexibility, based on market conditions and in the Company's best interests, in relation to such bond issues.

The Board of Directors invites shareholders to approve this resolution.

Twenty-fifth resolution – Amendment to Article 38 of the Memorandum and Articles of Association relating to the powers of Ordinary General Meetings

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings,

and having taken note of the report of the Board of Directors for the General Meeting,

resolves to remove the sixth paragraph of Article 38 of the Memorandum and Articles of Association, which will henceforth read as follows:

"The report by the Board of Directors on the Company's business and the reports of the Statutory Auditors shall be presented to shareholders at Ordinary General Meetings.

Ordinary General Meetings have remit to discuss, approve or modify the financial statements and declare dividends. The resolution approving the balance sheets and financial statements can only be adopted after the presentation of a report by the Statutory Auditors, failing which the resolution shall be invalid.

Ordinary General Meetings vote on the special report prepared by the Statutory Auditors as required by law.

They appoint the Directors and Statutory Auditors.

They determine the directors' fees to be paid to the Board of Directors.

They authorise the Company to trade in Company shares on the financial markets in accordance with the terms and conditions and within the limits laid down by law.

They vote on any other proposals included in the agenda that are not within the remit of the Extraordinary General Meeting."

and grants full powers to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, to amend the Memorandum and Articles of Association and carry out all steps and formalities.

8.2.2.14. Resolution 26: powers to carry out formalities

Explanation

The twenty-sixth resolution is designed to grant holders of the original, copies or extracts of the minutes of General Meetings the necessary powers to carry out standard public notice and filing formalities.

The Board of Directors invites shareholders to approve this resolution.

Twenty-sixth resolution – Powers to carry out formalities

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings,

and having taken note of the report of the Board of Directors for the General Meeting,

grants full powers to holders of the original, copies or extracts of the minutes of this General Meetings to carry out all public notice, filing and other formalities required under applicable laws and regulations.

8.3. Reports of the Statutory Auditors on the resolutions

8.3.1. REPORT BY THE STATUTORY AUDITORS ON THE REDUCTION IN THE SHARE CAPITAL (THIRTEENTH RESOLUTION)

PricewaterhouseCoopers Audit

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Mazars

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YEAR ENDED 31 DECEMBER 2013

To the Shareholders,

In our capacity as Statutory Auditors of your Company, and in compliance with Article L.225-209 of the French Commercial Code (*Code de commerce*) in respect of the reduction in the share capital through the cancellation of shares previously repurchased, we hereby report on our assessment of the causes, terms and conditions of the proposed reduction in capital.

Your Board of Directors proposes that you grant it full powers for an 18-month period with effect from the date of this Meeting to cancel shares, corresponding to a maximum of 10% of the capital per 24-month period, purchased as a result of the implementation of an authorisation to purchase Company shares within the framework of the aforementioned article.

We followed the procedures which we considered necessary to comply with professional guidance given by the national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) relating to this type of assignment. These procedures consist of verifying that the causes, terms and conditions of the proposed capital reduction are fair and are not likely to adversely affect equality between the shareholders.

We do not have any observations with regard to the causes, terms and conditions of the proposed capital reduction.

Neuilly-sur-Seine and Courbevoie, on 28 April 2014

The Statutory Auditors,

PricewaterhouseCoopers Audit

Jean-Christophe Georghiou
Partner

Mazars

Manuela Baudoin-Revert
Partner

8.3. Reports of the Statutory Auditors on the resolutions

8.3.2. REPORT BY THE STATUTORY AUDITORS ON THE ISSUE OF SHARES AND VARIOUS SECURITIES GRANTING ACCESS TO CAPITAL WITH OR WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS (FOURTEENTH, FIFTEENTH, SIXTEENTH, SEVENTEENTH, EIGHTEENTH, NINETEENTH AND TWENTIETH RESOLUTIONS)

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YEAR ENDED 31 DECEMBER 2013

To the Shareholders,

In our capacity as Statutory Auditors of your Company and in performance of our duties pursuant to Articles L.228-92 and L.225-135 *et seq.* of the Commercial Code, we present below our report on the proposed delegation of authority to the Board of Directors to issue shares and securities, which you are asked to approve.

On the basis of its report, your Board of Directors proposes:

- that you grant it a delegation of authority, with the possibility of sub-delegation, for a period of 26 months from the date of this Meeting, to effect the following transactions, to establish the definitive conditions of these issues, and, where applicable, to propose that you waive your pre-emptive subscription rights:
 - the issue of ordinary shares and/or securities granting access to ordinary shares of the Company or, pursuant to Article L.228-93 of the Commercial Code, of any company in which it directly or indirectly owns more than half the capital and/or granting entitlement to the allocation of debt securities, with preferential subscription rights (fourteenth resolution);
 - the issue of ordinary shares and/or securities granting access to ordinary shares of the Company or, pursuant to Article L.228-93 of the Commercial Code, of any company in which it directly or indirectly owns more than half the capital and/or granting entitlement to the allocation of debt securities, without preferential subscription rights, by way of a public offering (fifteenth resolution);
 - the issue of ordinary shares and/or securities granting access to ordinary shares of the Company or, pursuant to Article L.228-93 of the Commercial Code, of any company in which it directly or indirectly owns more than half the capital and/or securities granting entitlement to the allocation of debt securities, without preferential subscription rights, by way of a public offering as defined by section II of Article L.411-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and within a limit of 20% of the share capital per year (sixteenth resolution);
 - the issue of ordinary shares and/or securities granting access to ordinary shares in the event of a public exchange offer initiated by your Company (twentieth resolution);
- that you authorise it, by the eighteenth resolution, and in connection with the implementation of the delegation defined in the fifteenth and sixteenth resolutions, to set the issue price within the legal limit of 10% of the share capital;
- that you grant it a delegation of authority, with the possibility of sub-delegation, for a period of 26 months from the date of this Meeting, to determine the terms and conditions of the issue of ordinary shares and/or securities granting access to ordinary shares, with a view to remunerating contributions in kind granted to the Company, consisting of equity securities or securities granting access to the capital (nineteenth resolution) within a limit of 10% of the share capital.

The total nominal amount of the capital increases made immediately or in the future may not exceed €357,000 as defined by the fourteenth to twenty-first and twenty-third resolutions, it being specified that the maximum nominal amount of capital increases made immediately or in the future may not exceed €215,000 pursuant to each of the fifteenth, sixteenth and twentieth resolutions.

The total nominal amount of debt securities that may be issued shall not exceed €200,000,000 for the purposes of the fourteenth to eighteenth resolutions.

These ceilings take into account the additional securities which may be created when implementing the delegations set forth in the fourteenth, fifteenth and sixteenth resolutions, under the conditions provided for in Article L.225-135-1 of the Commercial Code, if you adopt the seventeenth resolution.

The Board of Directors is responsible for drawing up a report in accordance with Article R.225-113 *et seq.* of the Commercial Code. It is our responsibility to report on the fairness of the financial information taken from the financial statements, on the proposed waiver of preferential subscription rights and on certain other information concerning these operations, which is provided in this report.

We followed the procedures which we considered necessary to comply with professional guidance given by the national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) relating to this type of assignment. These procedures consisted in checking the contents of the Board of Directors' report in relation to these operations and the methods used to determine the share issue price.

Subject to a subsequent examination of the conditions for the proposed issues, we have no observations on the methods used to determine the share issue price set forth in the Board of Directors' report under the fifteenth, sixteenth and eighteenth resolutions.

Furthermore, as this report does not specify the methods for determining the share issue price in accordance with the implementation of the fourteenth, nineteenth and twentieth resolutions, we cannot express an opinion on the methods used to calculate the issue price.

As the final conditions under which the issues will be carried out have not yet been determined, we shall not express an opinion on them and, consequently, on the proposal to waive preferential subscription rights which is put to you in the fifteenth, sixteenth and eighteenth resolutions.

Pursuant to Article R.225-116 of the Commercial Code, we shall draw up an additional report, if necessary, when these delegations are used by your Board of Directors in the event of issues of securities granting access to the capital and/or granting entitlement to the allocation of debt securities and in the event of issues without preferential subscription rights.

Neuilly-sur-Seine and Courbevoie, on 28 April 2014

The Statutory Auditors,

PricewaterhouseCoopers Audit

Jean-Christophe Georghiou
Partner

Mazars

Manuela Baudoin-Revert
Partner

8.3. Reports of the Statutory Auditors on the resolutions

8.3.3. REPORT BY THE STATUTORY AUDITORS ON THE ISSUE OF SHARES AND/OR SECURITIES GRANTING ACCESS TO THE CAPITAL WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS RESERVED FOR PARTICIPANTS IN A COMPANY SAVINGS PLAN (TWENTY-FIRST RESOLUTION)

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YEAR ENDED 31 DECEMBER 2013

To the Shareholders,

In our capacity as Statutory Auditors of your Company and pursuant to Articles L.228-92 and L.225-135 *et seq.* of the Commercial Code, we present below our report on the proposed delegation of authority to the Board of Directors to decide on an issue of shares and/or securities granting access to the Company's capital, without preferential subscription rights, reserved for participants in one or more company or group savings plans jointly set up by the Company and its affiliated companies in France or abroad, subject to the conditions provided for in Article L.225-180 of the Commercial Code and Article L.3344-1 of the French Labour Code (*Code du travail*), which you are asked to approve. The maximum nominal amount of the capital increase which may result from this issue is set at €50,000 and will be included in the total ceiling set for capital increases of €357,000, as defined in the fourteenth resolution.

This issue is submitted for your approval, pursuant to Articles L.225 129-6 of the Commercial Code and L.3332-18 *et seq.* of the Labour Code.

On the basis of its report, your Board of Directors proposes that you grant it a delegation of authority, with the possibility of sub-delegation, for a period of twenty-six months from the date of this Meeting, to decide on an issue and to waive your preferential subscription rights for the securities to be issued. Where applicable it is the Board's responsibility to determine the definitive issue conditions of this operation.

Your Board of Directors is responsible for drawing up a report in accordance with Article R.225-113 *et seq.* of the Commercial Code. It is our responsibility to report on the fairness of the financial information taken from the financial statements, on the proposed waiver of preferential subscription rights and on certain other information concerning the issue, which is provided in this report.

We followed the procedures which we considered necessary to comply with professional guidance given by the national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) relating to this type of assignment. These procedures consisted in checking the contents of the Board of Directors' report in relation to this operation and the methods used to determine the share issue price.

Subject to a subsequent examination of the conditions for the proposed increase in capital, we do not have any observations on the methods used to determine the share issue price set forth in the Board of Directors' report.

As the final conditions under which the issue will be carried out have not yet been determined, we shall not express an opinion on them and, consequently, on the proposal to waive preferential subscription rights which is put to you.

Pursuant to Article R.225-116 of the Commercial Code, we shall draw up an additional report, if necessary, when these delegations of authority are used by your Board of Directors.

Neuilly-sur-Seine and Courbevoie, on 28 April 2014

The Statutory Auditors,

PricewaterhouseCoopers Audit

Jean-Christophe Georghiou
Partner

Mazars

Manuela Baudoin-Revert
Partner

8.3.4. REPORT BY THE STATUTORY AUDITORS ON THE AUTHORISATION TO ALLOT BONUS SHARES, WHETHER EXISTING OR TO BE ISSUED (TWENTY-THIRD RESOLUTION)

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This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

YEAR ENDED 31 DECEMBER 2013

To the Shareholders,

In our capacity as Statutory Auditors of your Company and in performance of our duties pursuant to Articles L.225-197-1 of the French Commercial Code, we present below our report on the allotment of existing or newly issued bonus shares to employees and corporate officers of the Company and its affiliated companies or groups, subject to the conditions provided for in Article L.225-197-1 *et seq.* of the Commercial Code, which you are asked to approve.

The number of bonus shares which may be allotted pursuant to this authorisation may not exceed 830, 000, it being stipulated that this ceiling will be included in the maximum nominal amount set in the fourteenth resolution of this General Meeting. Furthermore, the number of bonus shares which may be allotted pursuant to this authorisation to the Chairman and Chief Executive Officer of the Company may not exceed 166,000 shares (i.e. 20% of the overall cap applicable to this authorisation).

On the basis of its report, your Board of Directors proposes that you authorise it, for a period of thirty-eight months from the date of this Meeting, to allot existing or newly issued bonus shares.

The Board of Directors is responsible for drawing up a report on the proposed operation. Our responsibility is to report, if necessary, on the information provided to you on the proposed operation.

We followed the procedures which we considered necessary to comply with professional guidance given by the national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) relating to this type of assignment. These procedures consisted in verifying that the methods envisaged and described in the Board of Directors' report are in compliance with the law.

We have no observations on the information provided in the Board of Director's report with regard to the planned authorisation to allot bonus shares.

Neuilly-sur-Seine and Courbevoie, on 28 April 2014


The Statutory Auditors,

PricewaterhouseCoopers Audit

Jean-Christophe Georghiou
Partner

Mazars

Manuela Baudoin-Revert
Partner



In 2013, Albioma produced 54% of Réunion's electricity, 34% of that of Guadeloupe and 43% of that of Mauritius, true to its commitment to act as a leading producer of base-load renewable energy alongside EDF and the Central Electricity Board.

Transformer at Albioma Galion, Martinique: a symbol of the connection to EDF's transmission network, into which the electricity, produced by the plant at 11,000 volts, is injected at 63,000 volts.

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9.1. Persons responsible for auditing the financial statements

9.1. Persons responsible for auditing the financial statements

9.1.1. THE COMPANY'S STATUTORY AUDITORS

	Date of first appointment	Start date of current term of office	Current term of office	Expiry of current term of office ¹
Principal Statutory Auditors				
PricewaterhouseCoopers Audit	18/05/2010	18/05/2010	6 fin. yrs	2016 GM
Statutory Auditors Member of the Versailles Regional Company of Statutory Auditors Represented by Jean-Christophe Georghiou 63, rue de Villiers 92208 Neuilly-sur-Seine Cedex				
Mazars	27/05/2004	18/05/2010	6 fin. yrs	2016 GM
Statutory Auditors Member of the Versailles Regional Company of Statutory Auditors Represented by Manuela Baudoin-Revert Tour Exaltis 61, rue Henri Regnault 92400 Courbevoie				
Alternate Statutory Auditors				
Yves Nicolas	18/05/2010	18/05/2010	6 fin. yrs	2016 GM
c/o PricewaterhouseCoopers Audit				
Daniel Escudeiro	18/05/2010	18/05/2010	6 fin. yrs	2016 GM
c/o Mazars				

1. 2016 GM: term of office will expire at the end of the General Meeting to be held in 2016 to approve the financial statements for the 2015 financial year.

9.1.2. FEES PAID BY THE COMPANY TO THE STATUTORY AUDITORS AND MEMBERS OF THEIR NETWORKS

	Mazars				PricewaterhouseCoopers Audit			
	Amount (excl. VAT)		%		Amount (excl. VAT)		%	
	2013	2012	2013	2012	2013	2012	2013	2012
<i>In thousands of euros</i>								
Statutory audit, certification, review of parent company and consolidated financial statements								
Albioma	121.0	118.0	55%	48%	182.0	178.2	70%	61%
Fully-consolidated subsidiaries	80.0	77.5	36%	32%	59.0	74.6	23%	26%
Other work and services directly related to the statutory audit								
Albioma	20.0 ¹	49.5 ^{1,2}	9%	20%	20.0 ¹	39.2 ^{1,3}	8%	13%
Fully-consolidated subsidiaries	–	–	–	–	–	–	–	–
Sub-total Audit	221.0	245.0	100%	100%	261.0	292.0	100%	100%
Other services rendered by the networks								
Legal, tax, employment-related	–	–	–	–	–	–	–	–
Others	–	–	–	–	–	–	–	–
Sub-total Other services	–	–	–	–	–	–	–	–
Total	221.0	245.0	100%	100%	261.0	292.0	100%	100%

1. Mission of verification of corporate social responsibility information stated in the Management Report carried out by the Statutory Auditors, appointed as independent third parties.

2. Acknowledgement report relating to the implementation of the provisions of the Group's long term power sale contracts in Guadeloupe aiming at economic rebalancing.

3. Limited review of intermediary financial statements within the framework of the disposal of the Wind Power business.

9.2. Historical financial information included for reference purposes

9.2. Historical financial information included for reference purposes

Pursuant to Article 28 of European Commission Regulation no. 809/2004 of 29 April 2004, the following information is included in this Registration Document by reference thereto:

- the consolidated financial statements for the financial year ended 31 December 2012 and the corresponding report by the Statutory Auditors, as shown on pages 195 to 255 of the 2012 Registration Document, filed with the *Autorité des Marchés Financiers (AMF)* on 29 April 2013 under number D.13-0462, and the information taken from the Management Report for the year ended 31 December 2012, as shown on pages 92 to 112 of the 2012 Registration Document, together with the Company financial statements for the year ended 31 December 2012 and the corresponding report by the Statutory Auditors, as shown on pages 256 to 278 of the 2012 Registration Document;
- the consolidated financial statements for the financial year ended 31 December 2011 and the corresponding report by the Statutory Auditors, as shown on pages 175 to 230 of the 2011 Registration Document, filed with the *Autorité des Marchés Financiers (AMF)* on 30 April 2012 under number D.12-0476, and the information taken from the Management Report for the year ended 31 December 2011, as shown on pages 82 to 99 of the 2011 Registration Document, together with the Company financial statements for the year ended 31 December 2011 and the corresponding report by the Statutory Auditors, as shown on pages 231 to 248 of the 2011 Registration Document.

9.3. Person responsible for the Registration Document and the Annual Financial Report

Jacques Pétry
Chairman and Chief Executive Officer

9.4. Declaration by the person responsible for the Registration Document and the Annual Financial Report

"After having taken all reasonable measures to this effect, I declare that, to the best of my knowledge, the information contained in this Registration Document is consistent with the facts and is not subject to any omissions likely to alter its impact.

I declare that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of the Company and all undertakings included in the consolidation scope, and that the Management Report formed by the chapters and sections indicated in the cross-reference table in section 9.6.4 of this Registration Document presents an accurate view of changes in the business, results and financial position of the Company and all undertakings included in the consolidation scope, together with a description of the main risks and uncertainties they face.

I have obtained from the statutory auditors a completion letter, in which they state that they have verified the information relating to the financial position and the financial statements shown in this Registration Document and have read the entire Registration Document.

*The statutory auditors have issued a report on the consolidated financial statement for the financial year ended 31 December included in section 20.7, page 254 of the 2012 Registration Document, registered with the *Autorité des Marchés Financiers* on 29 April 2013 under no. D.13-0462, which contains an observation."*

Paris La Défense, on 30 April 2014

Jacques Pétry
Chairman and Chief Executive Officer

9.5. Person responsible for the financial information

Jacques Pétry
Chairman and Chief Executive Officer

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9.6. Cross-reference tables

9.6. Cross-reference tables

9.6.1. CROSS-REFERENCE TABLE FOR THE REGISTRATION DOCUMENT

The following cross-reference table shows where the main information required by Annex 1 to European Commission Regulation no. 809/2004 of 29 April 2004 can be found in this Registration Document.

Information listed in Annex 1 to European Regulation no. 809/2004 of 29 April 2004		Pages of the 2013 Registration Document
1.	Persons responsible	
1.1.	Name and function of persons responsible	237
1.2.	Declaration by persons responsible	237
2.	Statutory Auditors	236
3.	Selected financial information	6
4.	Risk factors	20-29, 129-130
5.	Information about the issuer	
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5.2.	Investments	15-16, 89-90, 114-115
6.	Business overview	
6.1.	Principal activities	7-11
6.2.	Principal markets	11-15
6.3.	Exceptional factors	n/a
6.4.	Extent to which the issuer is dependent on patents, licences, industrial, commercial or financial contracts or new manufacturing processes	9-11, 20, 24-25
6.5.	The basis for any statements made by the issuer regarding its competitive position	11-15
7.	Organisational structure	
7.1.	Brief description of the Group	17-19
7.2.	List of significant subsidiaries	17, 134-136, 152-159
8.	Property, plant and equipment	
8.1.	Existing and planned material tangible fixed assets	15-16, 19, 115, 145
8.2.	Environmental issues that may affect the utilisation of tangible fixed assets	9, 15-16, 22, 85, 102, 106, 131, 168-171
9.	Operating and financial review	
9.1.	Financial position	84-93, 96-101, 140-143
9.2.	Operating results	84, 86-89, 91, 93
10.	Capital resources	
10.1.	Information on capital resources	98-101, 118-123, 130, 146
10.2.	Sources and amounts of cash flows	101, 117
10.3.	Information on borrowing conditions and the funding structure	26-27, 121-124, 147-148
10.4.	Restrictions on the use of capital resources that have materially affected or could materially affect the Company's operations	21, 26-27, 121-122, 147
10.5.	Anticipated sources of funds needed to fulfil Management's firm investment commitments and planned tangible fixed assets	16, 91, 121-123, 147
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12.	Trend information	11-16, 90-91
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14.	Governing bodies and General Management	
14.1.	Information on members of the Board of Directors and General Management	18-19, 33, 37-44
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15.	Remuneration and benefits	
15.1.	Amount of remuneration paid and benefits in kind	61-70
15.2.	Amounts set aside or accrued to provide pension, retirement or similar benefits	68, 124-125, 147
16.	Operation of the Governing and Management bodies	
16.1.	Expiry dates of current terms of office	33
16.2.	Service contracts binding members of the Board of Directors	70

16.3.	Information on Committees	50-54
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17.	Employees	
17.1.	Number of employees	162
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18.4.	Arrangements known to the issuer, the operation of which may, at a subsequent date, result in a change in control	n/a
19.	Related party transactions	78-81, 132-133, 149
20.	Financial information concerning the Company's assets and liabilities, financial position and profits and losses	
20.1.	Historical financial information	93, 96-101, 140-143, 237
20.2.	Pro forma financial information	n/a
20.3.	Financial statements	96-136, 140-159
20.4.	Auditing of historical annual financial information	137, 160
20.5.	Age of latest financial information	n/a
20.6.	Interim and other financial information	n/a
20.7.	Dividend policy	92, 200-201, 204-206
20.8.	Legal and arbitration proceedings	26
20.9.	Significant change in the financial or trading position	90
21.	Additional information	
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22.	Material contracts	n/a
23.	Third party information, statements by experts and declarations of interest	n/a
24.	Documents available to the public	178, 201
25.	Information on holdings	17-18, 91, 134-136, 145-146, 152-159

9.6.2. CROSS-REFERENCE TABLE FOR THE ANNUAL FINANCIAL REPORT AND THE INFORMATION REFERRED TO IN ARTICLE 222-3 OF THE AMF'S GENERAL REGULATION

The following cross-reference table shows where the main information comprising the Annual Financial Report that must be published pursuant to Article L.451-1-2 of the French Monetary and Financial Code and the information included in this Registration Document referred to in Article 222-3 of the AMF's General Regulations can be found in this Registration Document.

Information referred to in Articles L. 451-1-2 of the Monetary and Financial Code and 222-3 of the AMF's General Regulation		Pages of the 2013 Registration Document
2013 Annual Financial Report		
1.	Consolidated financial statements for the 2013 financial year	96-136
2.	Report by the Statutory Auditors on the consolidated financial statements for the 2013 financial year	137
3.	Company financial statements for the 2013 financial year	140-159
4.	Report by the Statutory Auditors on the Company financial statements for the 2013 financial year	160
5.	Management Report by the Board of Directors for the 2013 financial year	See section 9.6.4
6.	Statement by the persons responsible for the 2013 Annual Financial Report	237
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1.	Statutory Auditors' fees	236
2.	Report by the Chairman of the Board of Directors on corporate governance and internal control for the 2013 financial year	32-60, 72, 73-76
3.	Report by the Statutory Auditors on the report by the Chairman of the Board of Directors	77

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9.6. Cross-reference tables

9.6.3. CROSS-REFERENCE TABLE FOR INFORMATION ON THE REMUNERATION OF CORPORATE OFFICERS AND AMF POSITION-RECOMMENDATION NO. 2009-16 OF 10 DECEMBER 2009

The following table shows where the information on the remuneration of corporate officers recommended by the AMF in its Recommendation of 22 December 2008 on information to be disclosed concerning the remuneration of corporate officers, reiterated in its Position-Recommendation no. 2009-16 of 10 December 2009, most recently amended on 17 December 2013, can be found in this Registration Document.

Tables required pursuant to AMF Position-Recommendation no. 2009-16 of 10 December 2009, most recently amended on 17 December 2013		Pages of the 2013 Registration Document
Table 1	Summary of remuneration, stock options and shares allocated to each executive corporate officer	61 (section 2.3.1)
Table 2	Summary of remuneration received by each executive corporate officer	61 (section 2.3.2)
Table 3	Directors' fees and other remuneration received by non-executive corporate officers	64 (section 2.3.3)
Table 4	Options to subscribe or purchase shares allotted during the financial year to each executive corporate officer by the issuer or by any Group company	65 (section 2.3.4.1)
Table 5	Options to subscribe or purchase shares exercised during the financial year by each executive corporate officer	65 (section 2.3.4.2)
Table 6	Performance shares allotted to each corporate officer	67 (section 2.3.5.1)
Table 7	Performance shares that became available to each corporate officer	67 (section 2.3.5.2)
Table 8	History of options to subscribe or purchase shares allotted	66 (section 2.3.4.3)
Table 9	Options to subscribe or purchase shares allotted to the top ten highest paid employees who are not corporate officers and options exercised by them	195 (section 7.4.2.2)
Table 10	History of bonus shares allotted	67 (section 2.3.5.3)
Table 11	Information on contracts of employment, supplementary pension plans, compensation and benefits owed or likely to be owed due to termination or expiry of a position or office, or a change in a position or office, held by an executive corporate officer under a non-compete clause	68 (section 2.3.6)

9.6.4. CROSS-REFERENCE TABLE FOR THE MANAGEMENT REPORT

This cross-reference table shows where the main information comprising the Management Report, as required *inter alia* by Articles L. 225-100 *et seq.*, L. 232-1 and R. 225-102 *et seq.* of the French Commercial Code, can be found in this Registration Document.

Information in the 2013 Management Report	Pages of the 2013 Registration Document
Group financial position and business overview for 2013, observations concerning the financial year	
Analysis of business development, and the results and financial position of the Company and the Group, including information on dividends distributed in respect of the past three financial years, and dividend amounts eligible for tax relief	83-90, 91-92, 205
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NOTES



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