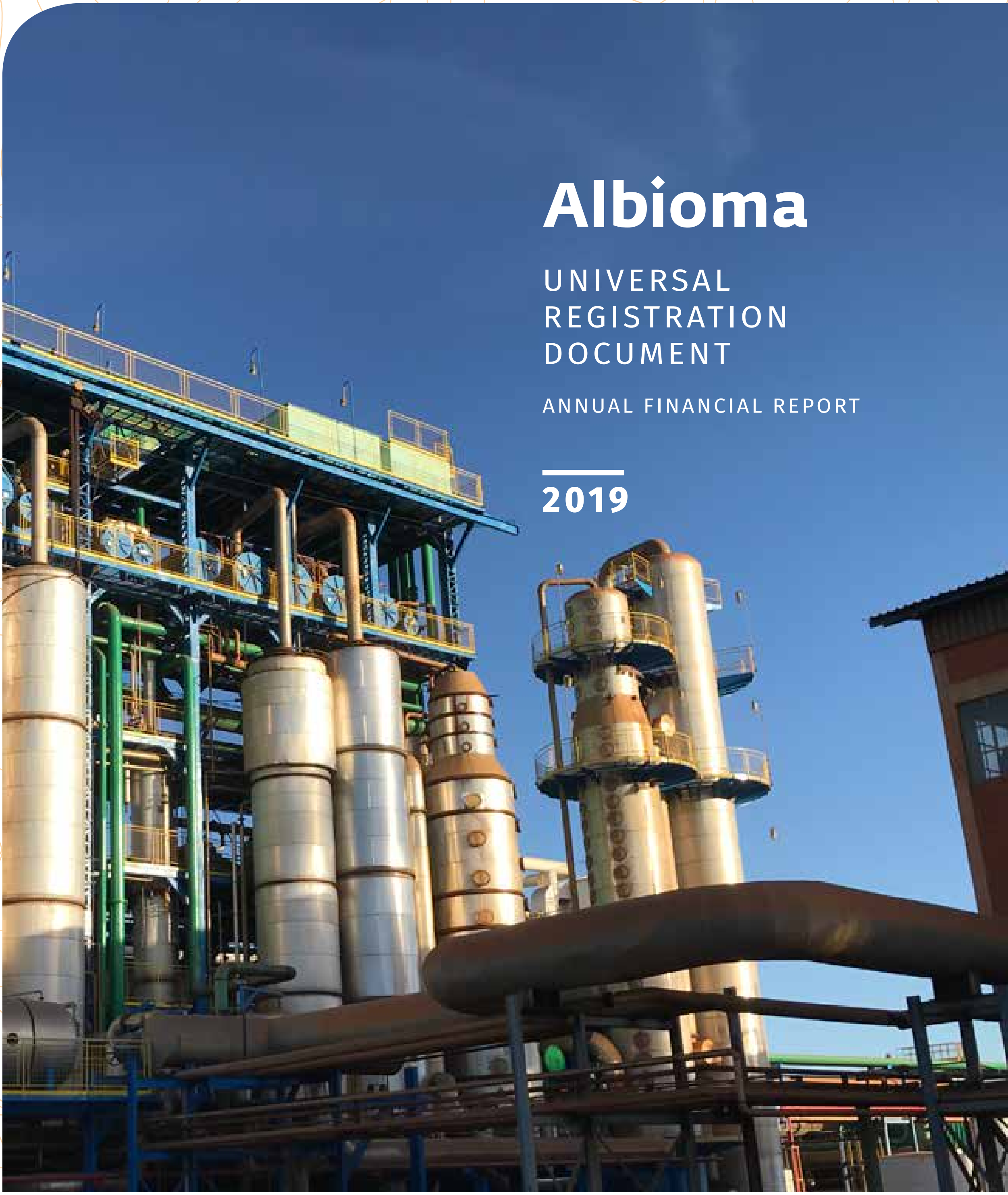
Albioma

UNIVERSAL REGISTRATION DOCUMENT

ANNUAL FINANCIAL REPORT

2019



ALBIOMA

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AUTORITÉ DES MARCHÉS FINANCIERS
AMF

The French language version of this Universal Registration Document was filed on 30 April 2020 with the French Financial Markets Authority (Autorité des Marchés Financiers) in its capacity as competent authority within the meaning of EU Regulation 2017/1129, without prior approval, in accordance with Article 9 of said Regulation. The Universal Registration Document may also be used for the offer to the public or the admission to trading of securities on a regulated market, provided it is accompanied by securities note and, if applicable, a summary of all amendments applied to the Universal Registration Document. All of these items are approved by the French Financial Markets Authority in accordance with the abovementioned Regulation.

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1.1. History

1982-1989 — COAL

1982
Sidec is founded

1990-2003 — BAGASSE AND COAL

2001
Séchilienne merged with Sidec

2000
Terragen

1998
Albioma Le Moule

1995
Albioma Le Gol

1994
Séchilienne (Air Liquide) acquires a stade in Sidec

1992
Albioma Bois-Rouge

2004-2011 — WIND AND SOLAR POWER

2011
Albioma Caraïbes

2006
1st photovoltaic plant

2005
Air Liquide sells stake to Financière Hélios (Apax Partners and Altamir)

2004
1st wind farm

2012-2019 — BIOMASS AND SOLAR POWER

2020
- Albioma wins 17 MWp in solar projects in Overseas France

2019
- Commissioning of the combustion turbine of Saint-Pierre
- Albioma wins 7.4 MWp in solar projects with energy storage in Mayotte

2018
- Altamir withdraws from Albioma's capital: Impala becomes a shareholder of Albioma
- Acquisition of Eneco France, then renamed Albioma Solaire France
- 4th acquisition in Brazil (Esplanada)
- Commissioning of the Galion 2 plant

2017
- 10 MWp of photovoltaic projects with energy storage won in overseas

2016
- Joint-venture agreement for a 3rd project in Brazil
- IED modernisation programme: start of construction work

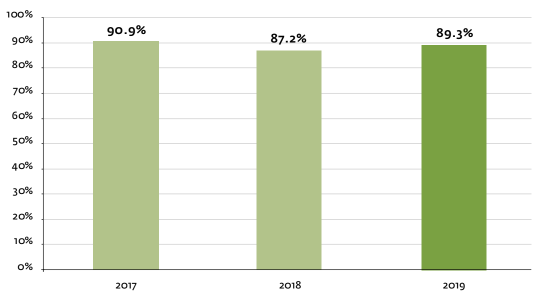
2015
- Albioma Codora Energia
- The Apax France VI investment fund withdraws from Albioma's capital: Altamir becomes Albioma's main shareholder (via Financière Hélios)

2014
- 1st plant in Brazil: Rio Pardo
- 1st photovoltaic plant with energy storage

2013
- Séchilienne-Sidec becomes Albioma
- Disposal of Wind Power business

1.2. Key figures

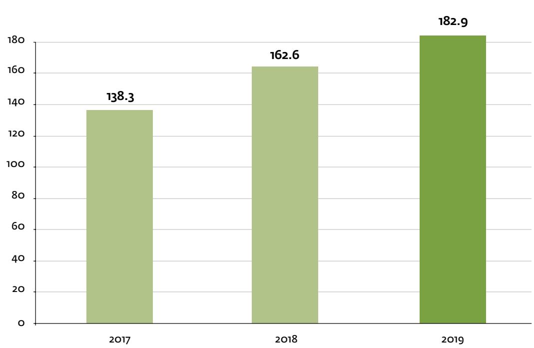
1.2.1. AVAILABILITY OF THERMAL BIOMASS PLANTS[1]



1. Excluding Brazil. Availability: 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 and the maximum demand for energy by the client.

1.2.2. EBITDA[1,2]

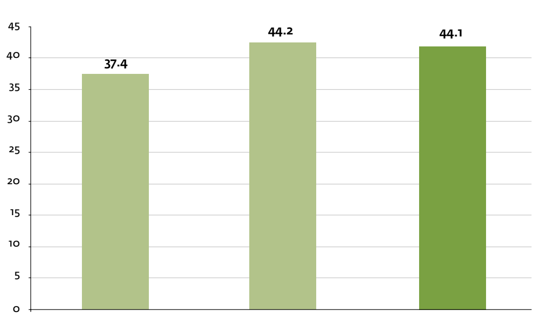
In millions of euros



1. EBITDA: operating income before depreciation and amortisation charges and net of charges to provisions, including Group income from companies consolidated using the equity method.
2. Published data.

1.2.3. NET INCOME, GROUP SHARE[1]

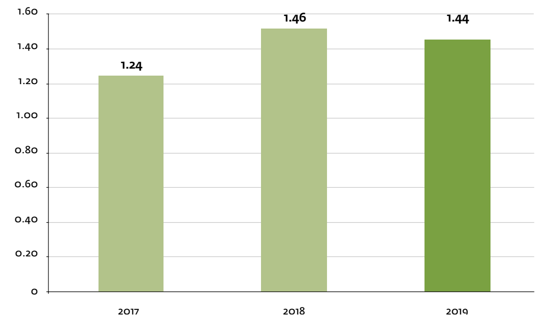
In millions of euros



1. Published data.

1.2.4. CONSOLIDATED DILUTED BASIC EARNINGS PER SHARE[1]

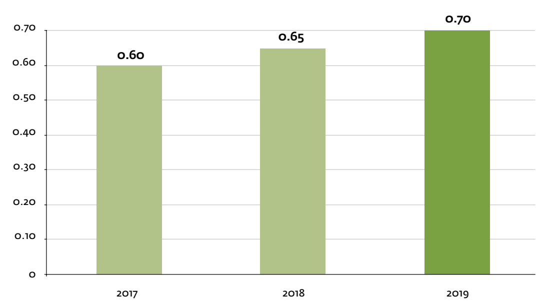
In euros



1. Published data.

1.2.5. DIVIDEND PER SHARE[1]

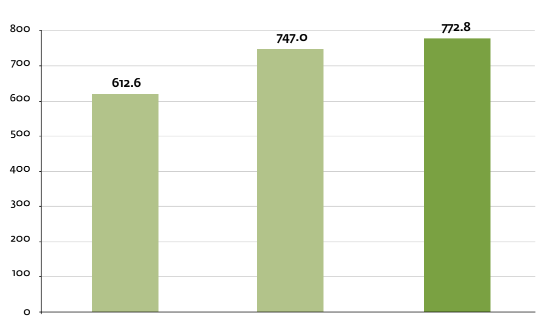
In euros



1. The 2019 dividend will be submitted for approval by the General Meeting to be held on 29 May 2020.

1.2.6. CONSOLIDATED NET DEBT[1]

In millions of euros



1. Net debt excluding the application of IFRS 16.

1.3. Activities and main markets

1.3.1. ACTIVITIES

For more than 25 years, Albioma has been the preferred partner for the sugar industry in Overseas France and Mauritius. Albioma has successfully rolled out its core business in those markets, namely the recovery of bagasse for the production of renewable base load electricity that is available at every moment of every day. In 2014, this unique know-how enabled the Group to export its original model to Brazil, the world's leading producer of sugar and of ethanol obtained from sugar cane.

Taking full advantage of its presence in very sunny regions, the Group has also established itself as the lead player in the production of photovoltaic energy in France's overseas departments and regions. In 2014, Albioma commissioned its first photovoltaic installation with storage capability, demonstrating its ability to integrate this new high value-added technology into its existing offering. Albioma has recently strengthened its position in this market in metropolitan France.

The Group operates 13 thermal plants and more than 400 photovoltaic plants. With an installed capacity of 941 MW at year-end, the Group generated 3,775 GWh of electricity over the course of 2019, equivalent to the annual consumption of 2.6 million people.

1.3.1.1. Thermal Biomass

Harnessing the Group's experience in bagasse-to-energy solutions, Albioma is now the preferred partner of sugar refiners. Refiners supply bagasse to the Group's plants in return for a supply of steam and electricity for their sugar mills, in a sustainable model that gives them a decisive competitive edge. Similarly, the energy efficiency of Albioma's plants enables us to sell the power we produce to electricity distributors, helping them cope with increasing consumption.

The Group's thermal power plants, built near sugar refineries, are designed to recover all the bagasse produced. Through these facilities, the Group has demonstrated its expertise in harnessing hybrid combustion technology to produce electricity and heat from bagasse and coal.

In France and Mauritius, during the sugar campaign which lasts between four and six months, the plants operate as cogeneration units, with bagasse as the main fuel. Between harvesting campaigns, they operate using a condensing process in the same way as conventional power plants, using coal. 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 and French atmospheric emissions standards.

In Brazil, the duration of sugar campaigns (nine or ten months) and the quantity of sugar cane processed by sugar mills enables the Group's cogeneration facilities to operate using bagasse all year round (i.e. 11 months out of 12, with the remaining month set aside for annual maintenance).

As part of its strategy to support the energy transition in the various departments and regions of Overseas France, and in line with the objectives defined in France's multiyear energy plans, Albioma launched a plan to replace the use of coal with biomass at its French thermal power plants by 2023, and work to convert the first unit at the Albioma Le Moule plant in Guadeloupe is now underway.

1.3.1.2. Solar Power

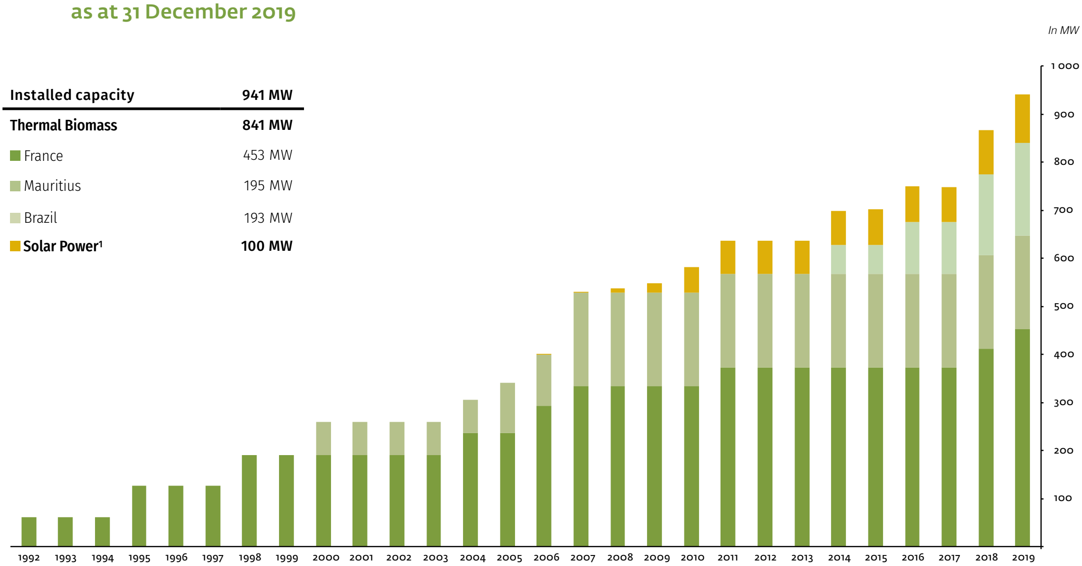
The Group has been producing photovoltaic solar energy since 2006. In synergy with the thermal biomass activity, the construction of an efficient power fleet is increasing Albioma's contribution to the production of renewable electricity supplementing the renewable energy obtained from bagasse. With a solar power fleet providing a capacity of 100 MWp, Albioma is a major player in the production of photovoltaic solar energy in France, and is the leading producer in the French overseas departments and regions, where the facilities benefit from exceptional sunshine conditions, with exposure exceeding the average for French farms by more than 20%. Albioma operates its plants within the framework of secure long-term agreements with EDF.

In 2014, the Group commissioned its first photovoltaic installation with energy storage capability. This technology, combined with a short-term weather forecasting system, significantly increases an installation's availability and smooths the production of energy, which is otherwise naturally variable.

Albioma has recently strengthened its position in solar power in metropolitan France, where the Group was already operating facilities with combined power of 8 MWp, with the 2018 acquisition of 100% of Eneco France, an innovative solar power specialist. Created in 2008 and with an innovative positioning in power generation for onsite consumption, Albioma Solaire France (formerly named Eneco France) develops, builds and operates photovoltaic plants on rooftops and agricultural buildings at private properties and industrial facilities in the South of France.

1.3.1.3. Installed capacity of the Group, showing changes and distribution by business sector as at 31 December 2019

Installed capacity	941 MW
Thermal Biomass	**841 MW**
France	453 MW
Mauritius	195 MW
Brazil	193 MW
Solar Power[1]	**100 MW**



1. *Including a 0.5 MW hydroelectric plant.*

1.3.1.4. Breakdown of the Group's 2019 income from ordinary activities, EBITDA and operational income by business sector

In millions of euros	Income from ordinary activities	EBITDA	Operating income
France – Thermal Biomass	427.5	137.4	89.4
France and Southern Europe – Solar Power	50.4	36.3	15.8
Mauritius	-	2.6	2.6
Brazil	25.4	10.7	4.6
Holding company and other	2.5	(4.2)	(4.4)

1.3.2. REGULATORY AND CONTRACTUAL FRAMEWORK

1.3.2.1. Regulatory framework of French electricity market

General remarks

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 thereof, 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.

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 in France are governed by the statutory and regulatory framework applicable to environmentally classified facilities (ICPE), including those concerning the rehabilitation of sites when the classified activity is discontinued and the provision of financial guarantees for certain facilities (see additional information in section 1.9.4.1 on page 58 of this Universal 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 2010/75/EU of 24 November 2010 on industrial emissions or Directive 96/61/EC of 24 September 1996 on integrated pollution prevention and control, see additional information below).

Environmentally-sensitive facilities are supervised by the local Prefects and the DEAL (the French environment, planning and housing authorities), which are responsible for inspecting these installations). In the event an operator fails to comply with the applicable requirements 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.

Mechanisms 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 French energy regulator (*Commission de régulation de l'énergie - CRE*). 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 one of its main suppliers in the overseas departments and regions.

The contribution to the public service charges for electricity was recently reformed by the 2015 Amending Finance Act (article 14 of the 2015 Amending Finance Act no. 2015-1786 of 29 December 2015). The reform placed the CSPE tax on the same level as the domestic consumption tax on electricity (TICFE), which is governed by article 266 *quinquies* (C) of the Customs Code. The main consequence of this reform (in addition to an increase in the TICFE tax) is that the CSPE now forms part of the State budget.

Act no. 2015-992 of 17 August 2015 on energy transition for green growth

In 2015, the legal framework applying to the French market was affected by the enactment of Act no. 2015-992 of 17 August 2015 on energy transition for green growth.

This major piece of legislation assigns two pivotal objectives to the French overseas departments and regions classified as 'non-interconnected areas' (*zones non interconnectées*): to increase the proportion of renewable energies in these areas to 50% by 2020, and to achieve energy self-sufficiency by 2030.

The priorities for action and the resources implemented to achieve these objectives are set out in multi-year energy plans for each overseas department or region. These plans set out regional energy policy objectives covering the full spectrum of uses (including electric power, heating, cooling and transport), prioritise the related challenges and guide the management of all forms of energy in the French territories over the ensuing years. They include a separate biomass-to-energy development plan for the overseas departments and regions.

The multi-year energy plans are drawn up by the relevant local authorities and approved by decree. In 2017, Reunion Island, Guadeloupe, Mayotte and French Guiana published their multi-year plans covering the period 2018-2023. The review process for the period 2023-2028 is currently underway for all regions.

Greenhouse gas emission quotas

Since 2013, the electricity sector no longer benefits from free quotas for installations producing electricity only, which now have to purchase quotas at auction. Free quotas are only 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.

Industrial Emissions Directive 2010/75/EU of 24 November 2010

The Industrial Emissions Directive (IED) 2010/75/EU of 24 November 2010 sets out an integrated approach to prevention and reduction of pollution emitted by certain industrial facilities. The IED unifies seven existing directives, including the Integrated Pollution Prevention and Control Directive (IPPC) 2008/1/EC of 15 January 2008, which it strengthens. The decree of 26 August 2013 transposed this Directive into French law and defined the environmental performance requirements. More specifically, sulphur oxide (SOx) and nitrous oxide (NOx) emissions are limited with effect from 1 January 2020. A programme to bring the Group's thermal power plants in the overseas departments and regions into compliance with the lower atmospheric emission caps was launched in 2016.

One of the IED's guiding principles is to use the Best Available Techniques (BATs) when operating activities subject to the Directive, making them the baseline for the operating license definition file. A review of the operating license conditions may be triggered by the publication, in the Official Journal of the European Union, of "BAT conclusions" compiled into Best available techniques REFerence documents (BREF). The Group's activities in Overseas France are subject to the BREF on large combustion plants, regarding which an implementation decision was published in the Official Journal of the European Union on 17 August 2017. As required by the regulation, the Group submitted its review files to the Prefect of the relevant department in 2018.

1.3.2.2. Cadre contractuel de la vente d'électricité

The Group operates its electricity producing facilities under long-term power purchase agreements with the relevant network operators (EDF in France, Central Electricity Board (CEB) in Mauritius, ENDESA in Spain and GSE in Italy). This means that the sale of electricity generated by the Group is guaranteed 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, in France in particular, 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 French energy regulator, CRE (similar systems exist in other European countries). Solar power agreements are covered by 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 one or more long-term agreements with EDF, which provide that the Group will ultimately become the owner of the operating facilities and retain control over the land on which they are built.

Since 2006, the Group's investments in Thermal Biomass plants in Overseas France 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-interconnected areas. A government order issued on 6 April 2020, relating to the interest rate payable on capital invested in power generating facilities, power demand management infrastructures and energy storage systems controlled by the network operator in non-interconnected areas, revoked the order of 23 March 2006 and amended the calculation mechanism for this interest rate, which is henceforth determined for each project by an order from the French Energy Minister based on a proposal from the French energy regulator (*Commission de régulation de l'énergie* - CRE). This interest rate is the sum of:

- a premium representing the mean government borrowing rate for the calendar year preceding the CRE's assessment of the full, normal cost of the facility, subject to a minimum of 100 basis points;
- a fixed premium of 400 basis points;
- a fixed premium in a range between 100 and 400 basis points, depending on the project's geographical location and reflecting its remoteness, local demographic and economic dynamics as well as the condition of the electricity network (for the Group's traditional markets, this premium has been set at 200 basis points for Guadeloupe, Martinique and Reunion Island, and 300 basis points for Mayotte and the areas of French Guiana connected to the coastal electricity network);
- a premium of up to 300 basis points, determined by the CRE, based on an analysis of the risks associated with the project, its environmental suitability and any innovative features.

The general structure of each of these contracts is based on the following economic balance.

Each base load 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 production whenever it wishes, in exchange for payment of the fixed premium, which covers all fixed costs generated by the financing, construction and maintenance of the plant, and the producer's margin.

The fixed premium paid to the producer is calculated on the basis of the plant's annual available capacity.

For each contract (with the exception of the Albioma Caraïbes PPA, henceforth known as ALM-3 following the 2018 absorption of Albioma Caraïbes by Albioma Le Moule, and the PPA for the Galion 1 power plant), the fixed premium is reduced, in stages for the older contracts or on a straight-line basis for contracts signed since 2010 and for all amendments to existing contracts. The annual nominal value of the fixed premium is linked to a composite index comprising indicators tracing variations in the cost of labour and equipment. For the older contracts, successive refinancing packages 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 fixed premium to be applied in the future, and the expiry dates for contracts for thermal power plants in Overseas France, which may be extended by contractual amendment.

In millions of euros	**01/01/2023**	**01/01/2024**	**Expiry**
Albioma Bois-Rouge 1 (Units 1 & 2)		-	2027
Albioma Bois-Rouge 2 (Unit 3)	-	-	2039
Albioma Le Gol A (Units 1 & 2)	(3,126)	-	2030
Albioma Le Gol B (Unit 3)	-	-	2030
Albioma Le Moule (Units 1 & 2)	-	(3,393)	2033
Albioma Le Moule (Unit 3, ex-Albioma Caraïbes)	No fixed premium discount		2040
Albioma Galion 1	No fixed premium discount		2031
Albioma Galion 2	Linear tapering discount over term		See note 1
Albioma Saint-Pierre	Linear tapering discount over term		See note 2
Additional fixed premiums	Linear tapering discount over term		See note 3

1. *30-year contract, with effect from industrial commissioning, announced on 26 September 2018.*
2. *25-year contract, with effect from industrial commissioning, announced on 25 February 2019.*
3. *Separate fixed premiums intended to compensate for the cost of modernisation work and other work to bring the plants into compliance. These fixed premiums relate to investments made pursuant to the Directive referred to in section 1.3.2.1 on page 11 of this Universal Registration Document.*

In addition to the fixed premium, an all-inclusive price is calculated on the basis of effective production. This additional remuneration includes a variable portion, calculated on the basis of:

- the market price for coal and imported biomass;
- a set bagasse purchase price, increased by an indexing mechanism for local biomass supplies.

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 that affects the balance.

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 such contract is due to expire at the end of 2020; at the time of filing this Universal Registration Document, the basis for its renewal was under discussion.

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, which is linked to fuel supply prices.

Brazil

The regulated Brazilian electricity market essentially consists of:

- a regulated market (70% of consumption), on which electricity is purchased by distribution companies only, by means of a competitive-bidding process resulting in electricity purchase agreements awarded on the basis of the lowest price. The electricity is then sold under purchase agreements with a term ranging from 15 to 30 years;
- an open market (30% of consumption), on which agreements are negotiated bilaterally with brokers and large industrial and commercial customers (terms and conditions, duration, index-linking formula), generally for a period of between one and five years depending on the price structure.

Electricity produced can also be sold on a spot basis, like all commodities. The sale price corresponds to electricity prices on the market on the date of sale, subject to application of an annual minimum and maximum threshold set by the federal government (BRL 42/MWh and BRL 513/MWh, respectively, for 2019).

On the regulated market, the price of electricity sold is generally linked to inflation only; the producer has a duty to deliver the self-produced energy sold or to buy in energy on the open market in order to satisfy its supply obligations.

The contractual framework governing electricity sales in Brazil requires the Group to strike a balance between the need to secure a significant share of production over the medium or long term on the open or regulated markets, and the benefit of moderate exposure to the spot market, in order to capitalise on higher prices during periods of water stress, in particular.

An average of 90% of power sales for the coming five years have been secured on good price terms.

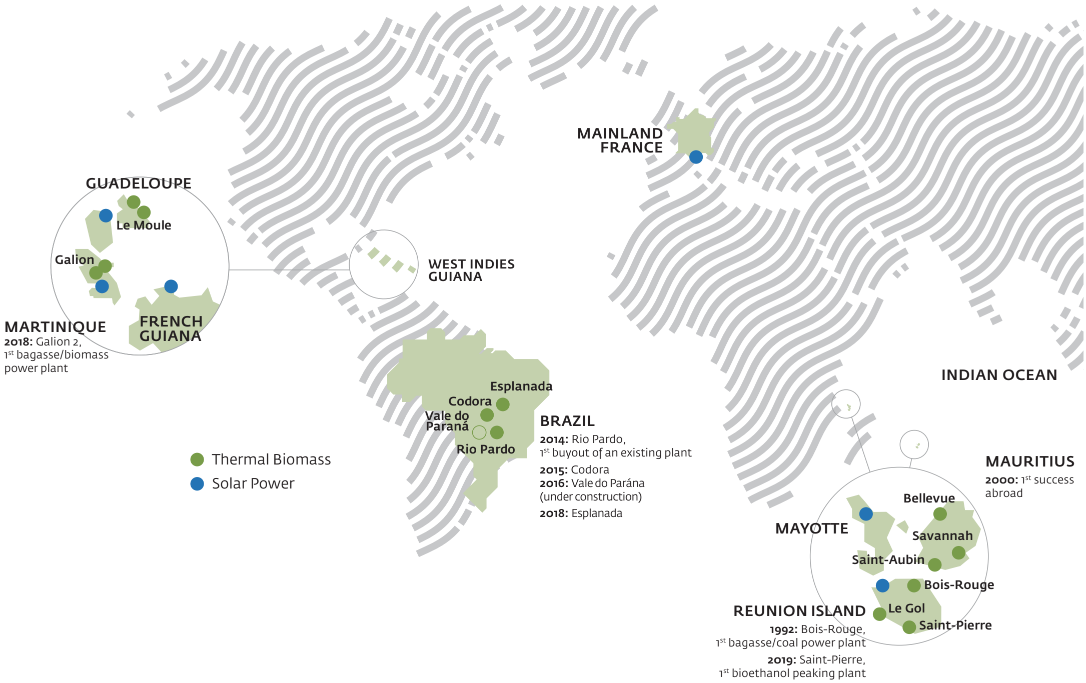
Contractual framework of the Solar Power activity

Electricity produced by the solar power business is sold via power 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.

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

For facilities commissioned after 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, some of the Group's photovoltaic projects, particularly those with integrated storage technologies, are no longer covered by the preferential tariff and fall within the competitive-bidding framework.

1.3.3. PRINCIPAL MARKETS

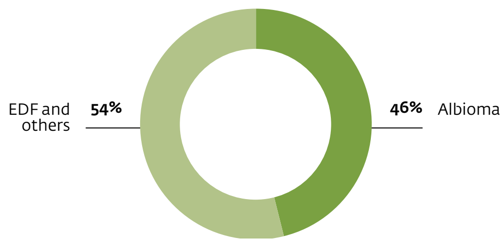


1.3.3.1. Albioma: a front-line player in the electricity production sector in the overseas departments and regions and Mauritius

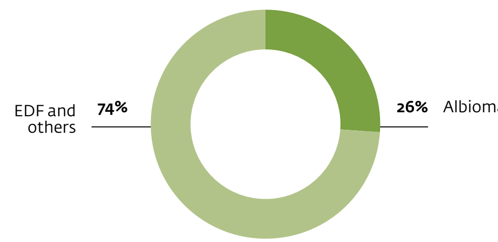
Albioma is a leading electricity producer in Overseas France alongside EDF, and is a key partner of the Mauritius Central Electricity Board. The Group positions itself vis-a-vis electricity network managers on the alternative energy production market segment. It can meet base-load electricity needs, while also responding to these regions' desire to increase the share of locally-produced renewable energy and helping to preserve the stability of electricity networks.

Proportion of total electricity production generated by the Group in the overseas departments and Mauritius in 2019[1]

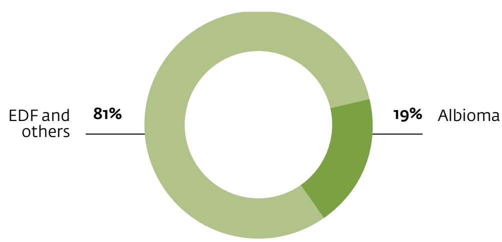
Reunion Island



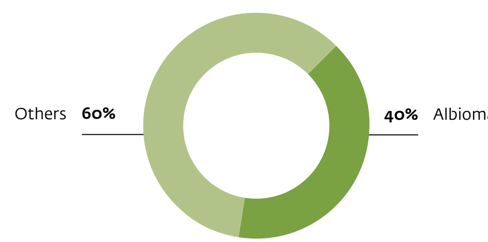
Guadeloupe



Martinique



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.

1.3.3.2. Biomass combustion for electricity generation

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 the consistently high production cost of these forms of energy.

At global level, electricity production from biomass grew at an average rate of 7.5% per year over the period 2013-2018, compared with an average annual growth rate of 3.1% for total electricity production, and 6.7% for total production from all renewable energy sources[1]. A steadily increasing number of coal-fired power plants - some of which will fail to comply with the forthcoming new European environmental standards - are being converted to operate as either dual-fuel coal/biomass or all-biomass plants.

In 2018, some 581 TWh of electricity, representing 2.2% of the global total, was produced from biomass, making it the fourth-largest source of renewable energy (total output from renewables: 6,995 TWh), after hydro-electricity (4,210 TWh), wind power (1,468 TWh) and solar power (640 TWh)[2].

As regards renewable power generation over the 2013-2018 period at a European level, solid biomass-fuelled electricity production grew at an average annual rate of 5.7% in western Europe (compared to 1.8% for total electricity production and 4.9% for electricity production from all renewable sources). In 2018, solid biomass was used to generate 121.6 TWh of electricity in this region, representing 3.3% of total electricity production (3,659 TWh) and 9.4% of electricity production from renewable sources. This figure of 121.6 TWh ranks solid biomass among the main renewable sources, after hydro power (616 TWh), wind power (380 TWh) and solar power (126 TWh)[3].

Regarding the French market over the same period, solid biomass-fuelled power generation grew at an average annual rate of 21.2% in France (compared with a rate of 2.3% for renewables) while total electricity production was essentially stable (dipping by 0.1% over the period). In 2018, solid biomass was used to produce 2.8 TWh[4] of electricity in France, representing 0.5% of total electricity production (549 TWh) and 2.6% of renewable production. Based on this figure of 2.8 TWh, solid biomass ranked as the fourth-largest renewable source over the studied period, after hydro power (63.2 TWh), wind power (27.8 TWh) and solar power (10.2 TWh[5]).

Strong positions in the French overseas departments and regions and Mauritius

These regional markets are of prime importance for Albioma, and continue to offer growth prospects, in view of their ongoing requirement for additional power generation capacities and the Group's major role in the energy transition in Overseas France. 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.

In addition, the enactment of Act no. 2015-992 of 17 August 2015 on energy transition for green growth has given Albioma a greater competitive advantage in the French overseas departments and regions: the new 100% biomass projects developed by the Group and the gradual replacement of coal by sustainable biomass in the bagasse/coal plants currently operated by the Group should enable these overseas departments to raise the proportion of electricity production from renewable sources in their energy mix to 50%, all else being equal.

1. *Source: REN21, Renewables Global Status 2019.*
2. *Source: REN21, Renewables Global Status 2019.*
3. *Source: ENTSO-E, Statistical factsheet 2018.*
4. *Source: RTE, Bilan électrique 2018.*
5. *Source: RTE, Bilan électrique 2018.*

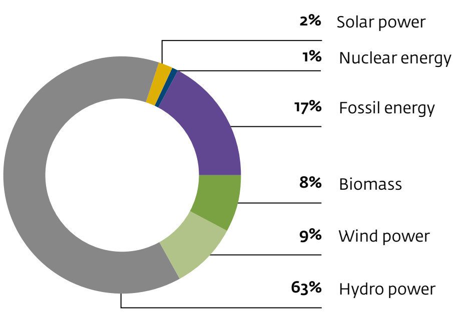
Overview of the Brazilian market

An exceptionally deep market

After two harvests focussed on ethanol production, Brazil is set to maximise sugar production in the 2020/2021 harvest, restoring its status as the world's leading sugar producer, with a forecast volume of 38.8 million tonnes (between April 2020 and March 2021) estimated to represent 22% of total global output and 60% of global exports. Brazil remains the world's number one sugar cane grower (with 639 million tonnes of cane processed during the 2019/2020 harvest) and the global number two in ethanol, behind the United States, producing 34 billion litres over the 2019/2020 harvest.

There are currently more than 325 sugar refineries operating in Brazil, making it the world's deepest bagasse-to-energy market. Currently, 7 % of the country's electricity is produced by recovering bagasse, despite mediocre performance by existing cogeneration units (with an average of 35 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).

Brazilian energy mix in 2019



An expanding market

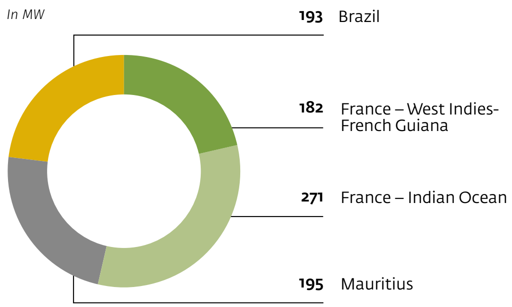
The Brazilian electricity market, which has a greater installed capacity (174 TW[1]) than France (131 TW) but serves a population three times as large, offers considerable growth potential. According to the most recent version of the energy development plan published by the Ministry for Mining and Energy, covering the period 2019-2029, energy consumption is forecast to grow at an average annual rate of 3.8%. However, the market share accounted for by renewable energies (including hydro, wind, solar power and biomass) is expected to decrease by 3% between 2019 and 2029 (to 80% of the country's installed capacity in 2029) due to an increase in facilities powered by natural gas.

Sugar and ethanol

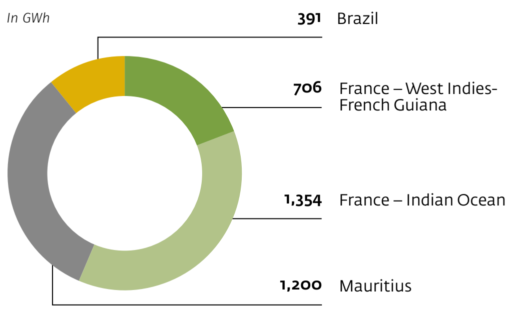
The outlook for the 2020/2021 harvest, particularly in the south central region of Brazil, is fair to good, despite the effects of the Covid-19 epidemic. Sugar prices in late 2019 and early 2020 enabled sugar mills with flexible production facilities to maintain their pricing power and guarantee a portion of their cash flow. This may partially offset the fall in crude oil prices, which are set to negatively affect ethanol prices. Consequently, Brazilian sugar mills are maximising their production of sugar, rather than ethanol. A combination of favourable weather conditions, improved crop care and innovative planting techniques resulted in higher plantation yields: south central Brazil is experiencing its second year of recovery, with the current harvest forecast to yield approximately 78 tonnes of cane per hectare. From an economic perspective, the Covid-19 pandemic is likely to have a severe negative impact on GDP; the latest forecasts point to a contraction of approximately 3%, with inflation remaining at a moderate level. The local currency has also been affected, with the exchange rate weakening to more than 5 reals to the US dollar. The crisis has prompted a temporary suspension of work to implement the government's reform programme, including the ongoing overhaul of the electricity market's regulatory framework, and delayed the execution of RenovaBio, an established government programme to support the ethanol industry. Despite the short-term impacts of the crisis, the long-term fundamentals remain strong, given that the country is expected to resume its programme of reforms aimed at harnessing renewable energy as a catalyst for economic growth.

1. Source: Banco de Informações de Geração, ANEEL.

Installed capacity of the Thermal Biomass activity by geographic region as at 31 December 2019



Electricity production by the Thermal Biomass activity in 2019, by geographic region



1.3.3.3. Photovoltaic electricity generation

A steadily growing global market

At global level, photovoltaic installed capacity, which was no more than 8 MWp in 2007, rose to 40 MWp in 2010 and has continued to grow very strongly since, reaching 505 MWp in 2018. The global photovoltaic power fleet has been expanding exponentially since 2007, despite the economic and financial crises. While Europe was the driving force behind the installation of new production facilities at the start of the millennium, China, Japan and the US remained leading contributors to growth in 2018. The world's emerging markets have contributed significantly to the growth of this market[1].

In the European Union, photovoltaic installed capacity, which was less than 0.2 GWp in 2000, exceeded 116.2 GWp in 2018, largely driven by Germany. In 2018, installed capacity rose by approximately 8 GWp, essentially in the UK, Germany and France. These three countries alone account for over 70% of all installed photovoltaic capacity in the European Union. This trend can be explained essentially by the opening up of regulated markets and the development of on-site consumption.

In France, the photovoltaic power market continues to grow at a steady rate. In 2010, production facilities represented an installed capacity of 1 GWp; by the end of December 2018, the installed capacity had risen to 9.9 GWp (including 410 MWp in the overseas departments and regions, as at the end of March 2018[2]). The number of new solar power facilities connected to the French electricity grid rose sharply in 2019, with a connected capacity of 966 MWp over the year, excluding the many projects still in the pipeline[3].

Albioma is a leading producer of photovoltaic energy in the overseas departments and regions

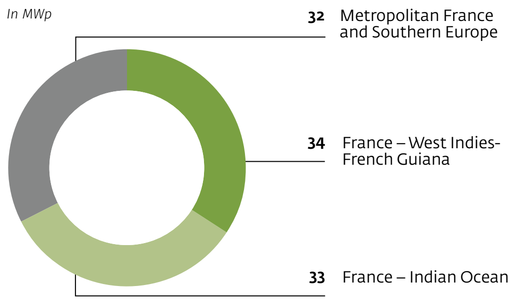
The strategy implemented by the Group since 2006, when it moved into the sector, has consisted in building its solar power business not only in its traditional markets (Guadeloupe, Martinique, Reunion Island and Mayotte) but also in French Guiana, the South of France, Spain and Italy, which benefit from 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, while prioritising the construction of photovoltaic plants with storage capabilities.

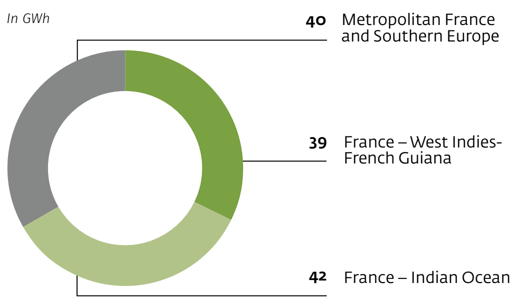
In 2019, Albioma accounted for 16% of the total photovoltaic installed capacity in the Antilles-French Guiana region, and 16% of the Indian Ocean region, making the Group the leading producer of photovoltaic energy in the overseas departments and regions[4].

1. *Source: REN21, Renewables Global Status 2019.*
2. *Source: French Ministry for the Ecological and Solidary Transition, Data and Statistical Studies department.*
3. *Source: French Government Commission on Sustainable Development (Commissariat général au développement durable), Dashboard: photovoltaic solar energy, Q4 2017.*
4. *Source: Albioma internal statistics and EDF SEI connection data.*

Solar power installed capacity by geographic region as at 31 December 2019



Power generation by the solar energy business in 2019, by region



1.4. Strategic priorities and investment policy

1.4.1. THREE STRATEGIC PRIORITIES, ONE GOAL: RENEWABLE ENERGY SOURCES TO EXCEED 80% OF THE GROUP'S TOTAL PRODUCTION BY 2023

1.4.1.1. Powering the energy transition in Overseas France

French Act no. 2015-992 of 17 August 2015 on energy transition for green growth provides Albioma with a unique strategic opportunity, by introducing two very ambitious objectives for the overseas departments and regions: to increase the proportion of renewable energies in these areas to 50% by 2020, and to achieve energy self-sufficiency by 2030. Albioma is set to become the leader in energy transition in the overseas departments and regions.

Against this backdrop, the solutions provided by Albioma not only ensure the stability of electricity networks, thereby facilitating the penetration of intermittent renewable energy, in particular in areas where the electricity network is vulnerable, but also provide a framework and long-term support for local farming activities, enabling them to improve their competitiveness by supplying inputs to the biomass-to-energy process.

The objective, namely to increase the proportion of renewable energies in the energy mix of France's overseas departments and regions to 50%, cannot be achieved without Albioma. The Group's contribution will be twofold, and work is already underway.

The Group's first area of contribution consists in replacing coal with new types of sustainable biomass at its four existing bagasse/coal thermal power plants in France. The Energy Transition Act presents a unique opportunity to decarbonise Albioma's output. Plants will soon be fuelled by bagasse during the sugar campaign, and by other types of biomass during the rest of the year. This effort to convert the existing coal-fired plant units has now been included in the multi-year energy plans for Overseas France, and in 2018, the Group agreed an initial rider to the power purchase agreement for the Albioma Caraïbes plant (now renamed Albioma Le Moule - Unit 3) with a view to converting the plant. The related conversion works began in early 2020.

The Group's work has focused on using local sources of biomass while avoiding conflicting uses, and more specifically on using other types of waste generated by the sugar cane process, such as sugar cane chaff and distillery bagasse, which is currently not recovered or only on a marginal basis. Fostering the emergence of local supply chains, which in time will cover 30% to 40% of the procurement requirements of bagasse/biomass facilities, is a major socioeconomic issue for these regions. In addition, the Group will import biomass in the form of wood pellets to satisfy network needs. The Group will need to ensure that the identified supply sources are certified, so that the imported biomass, which has a much better carbon footprint than imported coal, can qualify as a sustainable source.

The Group's second area of contribution is the ongoing development of all-renewable energy production facilities. Accordingly, in 2018 and early 2019, the Group commissioned two facilities of iconic significance for the energy transition in Overseas France: the Galion 2 plant in Martinique and the Saint-Pierre combustion turbine on Reunion Island. This strategic stance is also embodied by the Group's decision to step up development of its offering of photovoltaic electricity production facilities with integrated energy storage and services for dedicated energy storage networks.

The Group has already started work in connection with the second objective contained in the Energy Transition Act for overseas departments and regions, namely energy self-sufficiency by 2030. One strategic priority is the recovery of indigenous solid recovered fuel (SRF), which will gradually replace imported biomass.

1.4.1.2. International roll-out of Albioma's expertise

The Group's traditional model based on the high-efficiency recovery of bagasse, which it uses in Mauritius where it operates three bagasse/coal power plants and where it has developed a new project to equip the last sugar mill on the island with a high-pressure cogeneration plant, was rolled out to Brazil in 2014. As the world's leading sugar producer, the Group naturally identified Brazil as a priority vector for its future international development. Albioma now operates three plants in the country, using bagasse all year round, and a fourth project is currently under construction (the Vale do Paraná project, consisting in increasing the capacity of an existing cogeneration facility to 48 MW). The Group's unparalleled expertise enables it to tap into a major source of productivity, as the cogeneration plants used by the sugar mills tend to have very low generation efficiency rates which the Group can improve upon quite substantially. The successful Brazilian roll-out of Albioma's traditional business model provides a sound footing for the strategic goal of achieving critical mass, at which point the Group's operations in the country will cover all local structural costs while enabling a new project to be agreed every 12 to 18 months.

Roll-out of the traditional model elsewhere in the world remains a strategic priority. Other sugar cane producing countries are currently being considered from either a geographic perspective - for example, to support Albioma's sugar industry partners' growth or to develop new projects in Latin America and Asia - or a business perspective, as we seek to harness other forms of renewable energy.

1.4.1.3. Accelerating development in solar power

Leveraging more than 10 years of experience in photovoltaic energy production, the Group has established itself as the leading photovoltaic power generator in France's overseas departments and regions.

The Group is pursuing a growth strategy focussed on targeted, profitable segments (including small and medium-sized rooftop installations, energy storage and onsite consumption systems, and ground arrays free from conflicts of use) and the development of innovative technologies (including photovoltaic installations with integrated storage and services for networks featuring storage solutions, such as the 7.4 MW and 14.9 MWh project awarded to the Group in Mayotte following a competitive bidding process run by the French energy regulator (Commission de Régulation de l'Énergie) in October 2019).

The Group also decided to accelerate its investment in small projects eligible for the guaranteed power purchase scheme, not only in Overseas France, but also through the acquisition of Eneco France (since renamed Albioma Solaire France) in late 2018.

1.4.2. €880 MILLION IN CAPITAL EXPENDITURE COMMITTED OVER THE PERIOD 2013-2019, WITH AN ADDITIONAL €450 TO €650 MILLION TO BE COMMITTED BETWEEN 2020 AND 2023

With €880 million in capital expenditure already committed by the end of 2019, the Group should be in a position to generate an EBITDA of approximately €200 million in 2020. This initial phase of the 2013-2023 investment programme centred on:

- deploying the programme to make the thermal power plants in Overseas France compliant with the EU Industrial Emissions Directive (IED), representing a firm capital commitment of around €275 million for all affected plants;
- commissioning two new renewable energy production facilities, the Galion 2 bagasse/biomass plant in Martinique and the Saint-Pierre combustion turbine on Reunion Island, representing a total investment of approximately €275 million;
- developing projects for photovoltaic plants with integrated storage following calls for tenders issued by the French energy regulator (Commission de régulation de l'énergie - CRE), acquiring additional capacity in Overseas and metropolitan France, and developing new small-capacity facilities qualifying for power purchase obligations; these projects together represent a total investment of around €120 million;
- rolling out Albioma's activities in Brazil, through the acquisition of the Group's three plants now in operation, at a total capital cost in the region of €140 million.

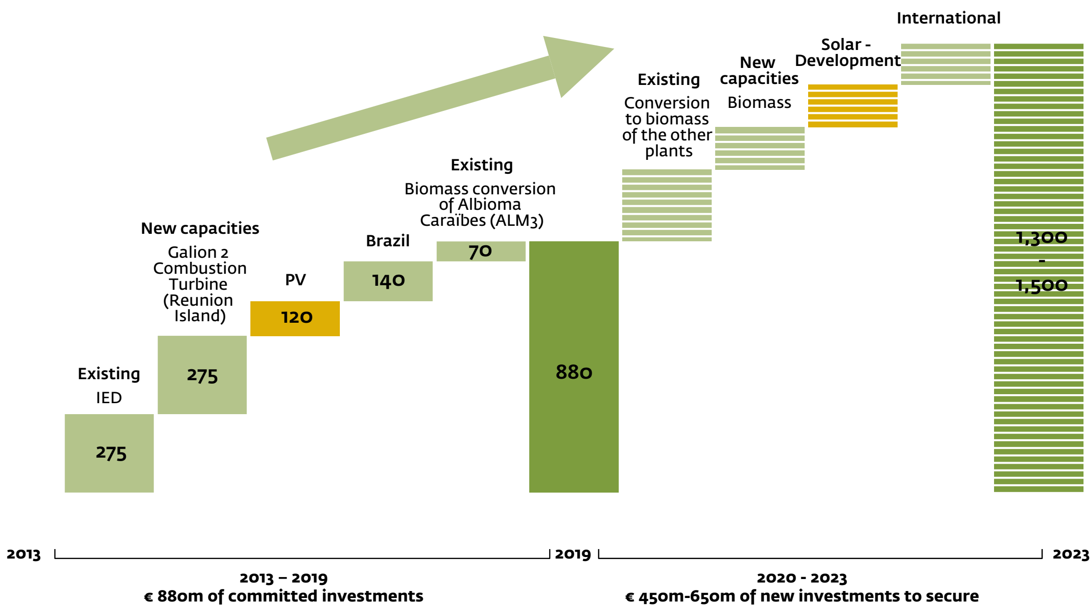
The Group now plans to commit €450-€650 million in development investments between 2019 and 2023, devoted to:

- converting the coal-fired units at the thermal power plants in Overseas France to operate using biomass, with firm capital expenditure commitments totalling €80 million at the date of submission of this Universal Registration Document, for the conversion to biomass of Albioma Le Moule - Unit 3;
- developing new all-biomass production facilities;
- ramping up development of the Group's solar fleet;

- pursuing the Group's international development (specifically, continuing the Brazilian roll-out, with the aim of achieving critical mass and, if appropriate, moving into additional countries), with €30 million in firm investment commitments at the date of submission of this Universal Registration Document, allocated to the construction of the Vale du Paraná project, which is scheduled to begin operating in 2021.

These investments will be financed by long-term bank loans representing 80%-100% of the invested amount with no lien on the parent company beyond the construction period, where applicable (except for the investments in Brazil), with the balance financed from the Group's own equity and that of any partners.

In millions of euros



1.5. Organisation

1.5.1. SIMPLIFIED LEGAL ORGANISATION CHART (AS AT THE UNIVERSAL REGISTRATION DOCUMENT FILING DATE)[1]

ALBIOMA

BIOMASSE THERMIQUE

FRANCE – ANTILLES-GUYANE

- 100 % **ALBIOMA LE MOULE**[1] GUADELOUPE
- 80 % **ALBIOMA GALION**[2] MARTINIQUE

FRANCE – OCÉAN INDIEN

- 100 % **ALBIOMA BOIS-ROUGE** RÉUNION
- 64,6 % **ALBIOMA LE GOL**[3] RÉUNION
- 51 % **ALBIOMA SAINT-PIERRE**[4] RÉUNION

ÎLE MAURICE

- 27 % **TERRAGEN**[5]
- 25 % **OTEO SAINT-AUBIN**[6]
- 25 % **OTEO LA BARAQUE**[7]

BRÉSIL

- ≈ 100 % **ALBIOMA PARTICIPAÇÕES DO BRASIL**
  - 65 % **ALBIOMA CODORA ENERGIA**[8]
  - ≈ 100 % **ALBIOMA RIO PARDO TERMOELÉTRICA**
  - 60 % **ALBIOMA ESPLANADA ENERGIA**[9]
  - 40 % **UTE VALE DO PARANÁ ALBIOMA**[10]

SOLAIRE

FRANCE – ANTILLES-GUYANE

- 50 % **GUADELOUPE**[11]
- 80 % **MARTINIQUE**[12]
- 100 % **GUYANE**

FRANCE – OCÉAN INDIEN

- 100 % **MAYOTTE**
- 100 % **RÉUNION**

FRANCE MÉTROPOLITAINE – EUROPE DU SUD

- 100 % **FRANCE MÉTROPOLITAINE**[13]
- 100 % **ITALIE**[14]
- 100 % **ESPAGNE**[15]

1. Albioma Caraïbes was taken over by Albioma le Moule following the merger of the two entities on 31 July 2018.
2. With COFEPP Group.
3. With Tereos Group.
4. With COFEPP and Tereos Groups.
5. The Group owns 27% of Terragen together with Terra Mauricia Ltd Group (Terragri Ltd), 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.
6. The Group owns 25% of Omnicane Thermal Energy Operations Saint-Aubin, together with Omnicane Group and Sugar Investment Trust.
7. The Group owns 25% of Omnicane Thermal Energy Operations La Baraque, together with Omnicane Group and Sugar Investment Trust.
8. With Jalles Machado Group. In August 2015, Codora Energia was acquired through Albioma Codora Participações, a subsidiary of Albioma Participações do Brasil. Albioma Codora Participações was then absorbed into Codora Energia (now called Albioma Codora Energia) by means of a reverse takeover.
9. With Jalles Machado Group.
10. With Vale do Paraná – Álcool e Açúcar Group.
11. The Group owns 50% of Albioma Énergipole Solaire together with Énergipole Group.
12. The Group owns 80% of Albioma Solaire Habitat, Albioma Solaire Antilles and Albioma Solaire Lassalle together with COFEPP Group.
13. On 11 December 2018, the Group acquired 100% of Eneco France, now called Albioma Solaire France.
14. Companies in the Quant Energia sub-group.
15. Companies in the Sun Developers and Sun Orgiva sub-groups.

1. There is no decorrelation between equity holdings and voting rights within the Group. The revenue reported by the larger Group subsidiaries is stated in note 19 to the parent company financial statements for the 2019 financial year, on pages 234 et seq. of Section 5 of this Universal Registration Document

1.5.2. ADDITIONAL INFORMATION ON THE GROUP'S LEGAL STRUCTURE

1.5.2.1. Project companies

For the development and operation of each major industrial facility, 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 a majority holding (an exclusive holding in some cases) in the companies operating the production units located in mainland France and Brazil, and a non-controlling interest in those operating the thermal power plants located in Mauritius.

A list of all fully consolidated companies or associates as at 31 December 2019 is provided in Note 40 to the consolidated financial statements for the 2019 financial year on pages 202 *et seq.* in Chapter 4 of this Universal Registration Document.

1.5.2.2. Main changes to the legal structure over the 2019 financial year

The following transactions took place in 2019:

- incorporation of Albioma Solaire Assets France 3 on 29 July 2019, wholly-owned by Albioma Solaire France;
- outright disposal of the interest held in Eco Énergie Habitation by Albioma Solaire France on 20 December 2019;
- incorporation of Albioma Solaire on 20 December 2019, wholly-owned by the Company.

1.5.3. FUNCTIONAL ORGANISATION AND EXECUTIVE COMMITTEE

1.5.3.1. Functional organisation

Since the separation of the roles of Chairman of the Board of Directors and Chief Executive Officer in 2016, the Group's structure has been based on six functional departments serving three regions. The functional departments, whose main objectives are to support the operational activities in the regions, define the cross departmental policies and actions applicable to the Group as a whole, and monitor their implementation, are:

- the Industrial Department, which encompasses the Construction Department, the Technical Department, the Procurement Department and the Biomass Supplies Department, together with a new department responsible for energy transition;
- the Development and New Businesses Department, which is responsible for the Group's international development and new business lines; this Department is also responsible for overseeing operations in Mauritius;
- the Administrative and Finance Department, which encompasses the Accounting Department, the Management Control Department, the Legal Affairs Department and the IT Department; it is also responsible for financing, mergers and acquisitions, and investor relations;
- the Human Resources Department, which is responsible for labour-management relations, skill development and payroll management;
- the Corporate Social Responsibility and Environment Department, which leads sustainable development initiatives and oversees environmental issues;
- the Safety Department, which supervises industrial safety within the Group.

These six departments serve the Group's three regions, and each regional director is responsible for all the thermal power plants and photovoltaic plants in his/her region and for the Group's local development, and also represents the Group there. The three regions are:

- Reunion Island-Mayotte, which encompasses the thermal power plants on Reunion Island and the photovoltaic facilities in the Indian Ocean, Metropolitan France and Southern Europe;
- West Indies-French Guiana, which encompasses the thermal power plants in Guadeloupe and Martinique and the corresponding photovoltaic facilities;
- Brazil, which is responsible for operations and development in Brazil.

The Company Secretary liaises between all the Departments, General Management and the Board of Directors, and is responsible for the secretariat of the Board of Directors and for matters associated with company law, financial markets law, governance, ethics and compliance.

An Executive Committee, which is responsible for overseeing the Group's various business activities, is headed by the Chief Executive Officer and is composed of senior managers from the Industrial Department, the Development and New Business Department, the Administrative and Finance Department and the Human Resources Department and the three Regional Directors.

1.5.3.2. Executive Committee

Frédéric Moyne

Chief Executive Officer

Born on 15 October 1975, Frédéric Moyne is a graduate of the Ecole des Hautes Etudes Commerciales (HEC). He started his career at Air Liquide in 1998. In 2001, he joined Séchilienne-Sidec, since renamed Albioma, as an Assistant to the Chief Executive, 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 Energy (Wind / Solar / Anaerobic Digestion) and Group strategy. He was asked to head business development in Brazil in 2013. The Board of Directors appointed him Chief Executive Officer from 1 June 2016, following the separation of the roles of Chairman of the Board of Directors and of Chief Executive Officer and then Chairman of the Board of Directors at its 27 May 2019 meeting at which it decided to combine the roles of Chairman of the Board of Directors and of Chief Executive Officer.

Pascal Langeron

Chief Operating Officer – Reunion Island - Mayotte Regional Director

Born on 7 May 1963, Pascal Langeron is a graduate of the Université de Technologie de Nîmes. He 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 Séchilienne-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. Chief Operating Officer in charge of activities in France from 2012 to 2016, in 2017 he was asked to head up the Industrial Department before being appointed Reunion Island - Mayotte Regional Director in 2019.

Louis Decrop

Chief Operating Officer – Development and New Businesses

Born on 8 March 1961, Louis Decrop is a graduate of the Ecole des Mines de Nancy and holds an MBA from Columbia University, New York. He started his career as a financial analyst with Eastman Kodak in 1986, before joining Albioma in 1991. He initially worked on the development of the Group’s first plants in Bois-Rouge, Le Gol and Le Moule, after which he managed the development of the Group’s thermal power plants in Mauritius until 2007. Louis Decrop was subsequently in charge of the development of wind and solar power plants in metropolitan France. In 2013, he was appointed Development Director for Brazil. In 2015, Louis Decrop was appointed Chief Operating Officer in charge of Albioma's activities in Mauritius and Head of Development for Africa and Asia. He was asked to head the Group Development and New Businesses Department in 2017.

Julien Gauthier

Chief Operating Officer Finance

Born on 23 February 1977, Julien Gauthier is a graduate of the Ecole des Hautes Etudes Commerciales (HEC). He 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 joined Albioma as Chief Financial Officer, and was appointed Chief Operating Officer in charge of finance in 2015.

Xavier Becquey

Industrial Director

Born on 23 January 1970 and a graduate of the École Centrale de Paris, Xavier Becquey began his career in R&D at EADS (now Airbus) in Paris and Oslo. He subsequently joined Alstom and later Areva T&D, a specialist in power grids. Over a period of 18 years he held a series of operational (Head of Major Projects, Head of subsidiary and later Division) and functional roles (Industrial Director, later Vice-President Strategy and Business Development at Areva T&D). In 2014, Xavier joined Fives, a French industrial engineering group, as Group Operational Performance Director. He joined Albioma in 2019 as Industrial Director.

Paul Mayer

Human Resources Director

Born on 1 August 1958, Paul Mayer is a graduate of Sciences Politiques Strasbourg and of CIFFOP de l’Université Panthéon Paris 2. He began his career in 1981 at SNECMA in various HR management positions. He joined Steelcase Strafor in 1992 as Human Resources Director for the France Division, and then as Plant Manager in the Wood Division, followed by Tetra Laval in 1998, where he moved from Human Resources Director France and Belgium to Vice-President Human Resources for a division of Tetra Pak in Sweden and Vice-President for Human Resources at the Sidel Group. Between 2008 and 2017, he held various senior HR positions in Tetra Pak in Europe and the Middle East, before being appointed Human Resources Director Europe and Central Asia for Tetra Pak Group. He also teaches at the Institut d’Études Politiques de Paris as well as at the Université Panthéon-Assas Paris 2. He joined Albioma as Human Resources Director in 2018.

Nicolas de Fontenay
West Indies-French Guiana Regional Director

Born on 20 March 1964, Nicolas de Fontenay is a graduate of the École Nationale Supérieure Maritime (French Maritime Academy). He started his career as an officer with the Compagnie Générale Maritime in 1991. Between 1996 and 1998 he was in charge of submarine operations for France Télécom. From 1998 to 2000, he was Head of the Transport and Logistics Department at Trouvay & Couvin, a company specialising in oil, gas and water projects in the Middle East. In 2000 he joined Séchilienne-Sidec, which became Albioma in 2013, as Chief Operating Officer of Compagnie Thermique du Moule, since renamed Albioma Le Moule. In 2010, he was sent to Mauritius as General Manager of Compagnie Thermique de Bellevue, since renamed Terragen. He then moved to the West Indies region in 2012 as Director of Thermal Operations. In 2017, he was appointed West Indies-French Guiana Regional Director.

Christiano Forman
Brazil Regional Director

Born on 20 April 1976, Christiano Forman is a graduate in Economics from the PUC-Rio University in Rio de Janeiro, and also holds an MBA from IESE Business School. He began his career with Intelig Telecom and Royal Dutch Shell, holding a number of finance and marketing positions. He then joined GE, working in project development in the United States and Italy, and more specifically on a number of financing projects and the development of the renewable energy sector. He took part in GE's Renewable Energy Leadership Program. Between 2012 and 2015, he was responsible for Acciona Windpower's Brazilian business operations. Acciona manufactures wind turbines. He oversaw the launch of the group's wind turbine business in Brazil, supervised the construction of a number of facilities and contributed to building up the group's largest order book. He joined Albioma in 2015, and is currently the Brazil Regional Director in charge of Group activities and development.

1.6. Property, plant and equipment

The Group's property, plant and equipment is described in Note 16 to the consolidated financial statements for the 2019 financial year on page 177 in Chapter 4 of this Universal Registration Document.

The following table shows the Group's main items of property, plant and equipment used in current operations together with details of their ownership. As a general rule, the Group's 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.

Assets	Status	Location	Activities	Total gross capacity (MW)	Land tenure	Facility tenure
Albioma Bois-Rouge 1 (ranches 1 & 2)	In operation	Reunion Island	Bagasse/coal cogeneration	60.0	Emphyteutic leases	Freehold
Albioma Bois-Rouge 2 (Tranche 3)	In operation	Reunion Island	Bagasse/coal cogeneration	48.0	Construction lease	Freehold
Albioma Le Gol A (Tranches 1 & 2)	In operation	Reunion Island	Bagasse/coal cogeneration	64.0	Freehold	Freehold
Albioma Le Gol B (Tranche 3)	In operation	Reunion Island	Bagasse/coal cogeneration	58.0	Freehold	Freehold
Albioma Saint-Pierre	In operation	Reunion Island	Peaking thermal bio-ethanol / heating oil	41.0	Freehold	Freehold
Albioma Le Moule (Tranches 1 & 2)	In operation	Guadeloupe	Bagasse/coal cogeneration	64.0	Freehold	Freehold
Albioma Le Moule (Tranche 3)	In operation	Guadeloupe	Coal-fired base-load thermal	38.0	Freehold	Financial lease
Albioma Galion 1	In operation	Martinique	Peaking thermal (heating oil)	40.0	Construction lease	Freehold
Albioma Galion 2	In operation	Martinique	Biomass cogeneration	40.0	Emphyteutic leases	Freehold
Terragen	In operation	Mauritius	Bagasse/coal cogeneration	70.0	Freehold	Freehold
OTEO Saint-Aubin	In operation	Mauritius	Coal cogeneration	35.0	Freehold	Freehold
OTEO La Baraque	In operation	Mauritius	Bagasse/coal cogeneration	90.0	Freehold	Freehold
Solar Power – Indian Ocean	In operation	Reunion Island, Mayotte	Ground array and rooftop solar	33.4	Common-law and emphyteutic leases	Lease with purchase option
Solar Power – West Indies	In operation	Guadeloupe, Martinique, French Guiana	Ground array and rooftop solar	18.2	Common-law and emphyteutic leases	Freehold and lease with purchase option
Solar Power – French Guiana	In operation	French Guiana	Ground array solar	16.0	Emphyteutic leases	Freehold and lease with purchase option
Solar Power – Spain	In operation	Spain	Ground array solar	2.4	Emphyteutic leases	Financial lease
Solar Power – Italy	In operation	Italy	Ground array solar	2.0	Emphyteutic leases	Financial lease
Solar Power – Metropolitan France	In operation	Metropolitan France	Ground array and rooftop solar	27.7	Emphyteutic leases, administrative emphyteutic leases, construction leases, public works agreements, agreements concerning occupancy of the public domain, common-law leases	Freehold
SECL	In operation	Metropolitan France	Hydroelectric power	0.5	Freehold	Freehold
Albioma Rio Pardo Termoelétrica	In operation	Brazil	Biomass cogeneration	60.0	Use free of charge	Freehold
Albioma Codora Energia	In operation	Brazil	Biomass cogeneration	68.0	Use free of charge	Freehold
Albioma Esplanada Energia	In operation	Brazil	Biomass cogeneration	65.0	Use free of charge	Freehold

1.7. Research and development, patents and licences

In view of their current business activities, the Group's companies do not aim to own any processes or to conduct research and development programmes to that end. However, in order to be able to choose the best processes available on the market or to adapt them to the specific needs of the installations managed by the Group, a great many programmes which may be assimilated with research and development activities are currently under way.

The business activities concerned cover several fields, the main ones being as follows:

- recovery of combustion by-products,
- thermal biomass,
- storage of electricity generated by renewable energy production processes,
- network services (involvement in frequency/voltage regulation),
- reducing pollutant emissions by treatment at source,
- monitoring of critical machinery supporting the predictive maintenance policy.

All these programmes are now supervised and coordinated by dedicated means. They are analysed to assess whether they are eligible for grants and subsidies available for this type of activity.

Furthermore, in 2017, the Group began to outsource its innovation activities by investing in a seed fund managed by Demeter Emertec. The fund, which invests in new companies that develop projects in the energy, sustainable mobility and sustainable development sectors, provides the Group with an opportunity to support a fabric of start-ups that could in turn help the Group to address the technological challenges associated with its future development.

1.7.1. THERMAL BIOMASS

Activity is mainly focused in the following areas:

- characterising and researching ways of recycling,
- seeking local industries as sources of substantial additional biomass supplies or to limit planned imports;
- setting up agronomic programmes to study the possibilities of local production of biomass compatible with existing installations.

1.7.2. ELECTRICITY STORAGE

The development of new photovoltaic renewable energy projects, especially in island areas, is facing the issue of reaching this type of variable production's threshold of acceptability for the grid. The possibility of integrating new projects into island grids can be improved by combining them with storage capabilities. The main areas of work in this context are as follows:

- choosing the most suitable type of storage means (batteries, in particular),
- management and supervision of the return of stored energy to the grid;
- the predictability of expected production and its profile on the basis of available meteorological data.

An industrial-scale (1 MWp) project featuring a lithium-ion battery storage solution has been in operation for more than two years, and a programme to monitor battery ageing in industrial conditions has now been established.

1.7.3. NETWORK SERVICES

A current trend on the electricity markets is the signature of contracts for frequency/voltage regulation that are completely independent from the production groups. With a view to penetrating these new markets, at least in those areas where the Group has production facilities, the Group is currently examining:

- regulation possibilities over and above the contractual obligations for existing groups;
- adapting equipment available for the continental market to the technical and economic conditions in island areas.

1.7.4. PREDICTIVE MAINTENANCE

Almost all critical machines are now covered by systematic maintenance programmes. In addition to reinforcing and structuring inspection programmes, this involves collaborating with manufacturers to develop methods of assessing the technical potential of each function of critical machines in order to optimise the organisation of maintenance operations.

The main items of equipment concerned are:

- combustion turbines,
- steam turbines and their accessories,
- alternators,
- high-power transformers.

1.7.5. PRIMARY REDUCTION OF POLLUTANT EMISSIONS

This section concerns the following:

- solid combustion residues,
- smoke and gaseous products of combustion,
- aqueous discharges.

In all these cases, the goal is the same: minimise the formation or introduction of pollutants within processes, in order to reduce the need for subsequent treatment. The following main areas of work should be mentioned:

- Aqueous discharges:
  - disinfection of systems using only chlorinated biocides manufactured on site,
  - utilisation of processes for the extraction of combustion by-products that avoid contact with water.
- Combustion by-products:
  - reducing the inclusion of exogenous components resulting in post-treatment problems,
  - controlling the aggregation of clinker and reducing carbon content.
- Gaseous discharges:
  - limiting the formation of nitrogen oxides in combustion zones,
  - limiting the formation of carbon monoxide in the furnace and/or post-combustion reduction.

Note also that at the end of 2016 a system to burn out residual carbon in combustion by-products was commissioned on one of the Mauritius sites. Initial results suggest it will be possible to recover almost all the ash and bottom ash produced on the island for use by the cement industry and the construction and public works sector.

1.7.6. STEAM CYCLES

Work is focused both on the search for ways to optimise existing power plants and on obtaining optimal feedback for the benefit of new projects. The multi-fuel nature of most projects rules out the use of conventional strategies applied to electricity generation plants. The main areas of work are currently:

- reducing secondary losses from turbine steam paths, notably by using sophisticated sealing systems;
- adopting more modern, better-suited blade profiles at selected locations in the steam paths;
- optimising the reheating of water and air in steam cycles, either using energy recovered from processes or by tapping steam at intermediate pressures ;
- improving cold sources;
- studying the possibility of hybrid cycles.

1.8. Risk management and internal control

1.8.1. RISK FACTORS

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. These internal control and risk management procedures are described in section 1.8.2 on pages 38 *et seq.* of this Universal Registration Document. It is nevertheless not possible to eliminate all risks. Moreover, other risks of which the Group is currently not aware or are not considered material as of the date of filing of this Universal Registration Document might have a similar adverse impact in the future as to those discussed below.

To facilitate informed investment decision-making in accordance with applicable regulations, the major risks (based on their probability of occurrence and estimated negative impact, and considering the corresponding risk management mechanisms) are grouped together in a limited number of categories below. The most significant risk factors in each category are described first.

Financial risks are addressed separately, inasmuch as they do not belong in the major risks category for the Group.

Category	Nature	Principal risks
Operational risks	Risks arising from operating incidents Risks of internal control errors or fraud Business ethics risks Development risks Country-related risks	x x x
Industrial and environmental risks	Personnel safety risks Accident and environmental damage risks Risks relating to climate conditions and the effects of climate change	x x
Labour relations risks	Risks relating to availability of qualified personnel Risk of strikes	x x
Risk of dependency on third parties	Risks to supply Credit and counterparty risks, other risks relating to dependency on clients and suppliers	x
Legal risks	Risks relating to changes to the regulatory environment Non-compliance risks Risks of disputes	x x

See also the explanatory notes in section 3.6, page 148 of this Universal Registration Document, relating to the effects of the Covid-19 epidemic on the Group's activities.

1.8.1.1. Operational risks

Risks relating to operating incidents

Description of the risk	Management
The operation of industrial units entails a risk, which cannot be totally eliminated, relating to industrial accidents, production facility malfunctions, machine breakages, safety shortcomings, or disruptions to plant operation due to compliance works associated with new regulatory requirements. 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.	To reduce these risks, the Industrial Department oversees the maintenance programmes at Albioma's facilities, including in particular management of scheduled production outages. Production equipment suppliers are strictly monitored to ensure that delivered items meet optimal reliability standards. Furthermore, equipment renewal procedures are applied, to mitigate the costs of replacement operations and related down-time. Operational management of maintenance is now based on tools and methods designed to achieve a greater level of control over work, and is implemented in medium-term maintenance plans based on an analysis of risks and the criticality of equipment. The industrial accident risk management system also entails management of stocks of strategic spare parts. The procedures and certifications intended to reduce the risk of occurrence of industrial accidents are described in section 1.8.1.2 on pages 31 *et seq.* of this Universal Registration Document. The handover of new facilities to operators is governed by strict procedures that significantly reduce the risk of malfunctions during industrial commissioning, as well as the systemic impact of such malfunctions on overall plant availability. As a matter of course, power purchase agreements 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.

Risk of internal control failures and risk of fraud

Description of the risk	Management
The Group has put in place risk management and internal control systems to prevent and manage the risks to which it is exposed. They are described in Section 1.8.2 on pages 38 *et seq.* of this Universal Registration Document. 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 judgement, or malfunctions due to technical or human failures or basic errors. Accordingly, the Group cannot rule out the risk of a failure of its internal control system, which may expose it to the risk of fraud, particularly in the event of intrusion into the Group's information systems.	Heightening employee awareness of the risk of fraud will reduce the likelihood that it occurs. The implementation, as from 2019, of a plan to overhaul the Group's information systems managed by an IT Transformation Director led to the carrying out of an IT security audit, the findings of which brought about the establishment of a series of corrective actions as part of a multi-annual action plan.

Risk relating to business ethics

Description of the risk	Management
The Group's growth and its presence in regions felt to suffer from corruption, influence peddling or other connected abuses, means it is exposed to a risk that its ethical commitments emanating from the Ethics Charter, implemented in 2019 and 2020, are not satisfied. Such breaches could have a significant adverse effect on the Group's image and expose it to administrative or criminal sanctions.	The implementation, since end-2018, of an ethics and compliance programme, including in particular bringing the Group into compliance with the new provisions of the Sapin 2 Act concerning efforts to combat corruption and influence peddling, led to the distribution of an initial framework to Group employees in the form of an Ethics Charter incorporating principles of conduct pertaining to corruption and influence peddling, and to launch awareness sessions for Group employees on these matters.

Development and access to financing

Description of the risk	Management
The projects developed by the Group, and more specifically its Thermal Biomass projects, require substantial preliminary development efforts and the period between the first prospective contacts and the industrial commissioning of the facility 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 facility, and therefore long before the facility 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 facilities. If the actual costs differ significantly from these estimates, the project's, or indeed 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 partners against a project developed by the Group, potentially resulting in administrative proceedings seeking the suspension or cancellation of the permits or authorisations necessary for construction or operation or by means of the occupation of a site; ▪ strike affecting a construction site; ▪ 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 and, more generally, in obtaining authorisation from a supervisory authority; ▪ non-delivery of an industrial facility under construction, for example if a supplier defaults; ▪ industrial accident during construction of a facility; ▪ delays in connecting a facility to the energy distribution network. Delays in the industrial commissioning of a facility 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. The Group's exposure to this type of risk usually increases with time over the development phase and peaks during the construction phase (construction investment commitments and financing).	In order to reduce these risks, the Group implements a stringent project management process involving internal steering committees and dedicated management controllers, the Commitments Committee and the Board of Directors. This process ensures the Group does not commit itself without sufficient visibility to major investments and can call a halt to any project that does not satisfy profitability or risk criteria deemed acceptable by it as early in the process as possible. Moreover, the Group has significantly improved its dialogue with partners in order to identify their concerns as early as possible in the project, and to take them into consideration in all development phases.

Country-related risks

Description of the risk	Management
The Group's presence in Mauritius and in Brazil exposes it to country risks relating to the instability of exchange rates, the existence of political, financial or social unrest, high inflation rates, uncertainties concerning 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. The consequences of inflation in Brazil are factored in through the indexing of electricity sale prices in sale agreements concluded on the open market or the regulated market, in line with the Group's policy to secure sales of electricity. In the French overseas departments and territories, the Group is exposed to risks associated with a large-scale political or social crisis that may, in particular, result in general strikes. The Group's results could be substantially impacted in the event of a long-term global crisis affecting one of the areas in which it operates.	The geographic diversification of the Group's project portfolio makes it possible to limit these risks. Nevertheless, the nature of the Group's activities and their concentration in island regions means it is not possible to significantly reduce their likelihood of occurrence. In the Overseas departments and territories, electricity sale agreements are drafted so as to take account of the existence of such risks when they stem from a case of force majeure.

1.8.1.2. Industrial and environmental risks

Industrial accidents and environmental damage

Description of the risk	Management
The operation of power plants, and in particular fuel-powered plants, entails a risk of industrial accidents that could result in the shutdown of the production facilities for a shorter or longer period of time, or even the partial or total destruction of the installation. In particular, the Group is exposed to: ▪ fire risks affecting all the Group's activities, given that fuels (bagasse and other types of biomass, coal and oil-based products) and other flammable products are used and stored at its thermal power plants and that its photovoltaic facilities may be subject to voltage surges or short-circuits; ▪ the risk of explosion at its Thermal Biomass business (equipment operated at high pressure, electric filters, explosive environments linked to the storage of certain types of biomass, etc.); ▪ risks, in its Thermal Biomass business, associated with the use of hazardous products (lime, urea, soda, oils...). 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.	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, in 2012 and 2013 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 the Albioma Bois-Rouge plant (certification obtained in 2013). Terragen in Mauritius obtained the same three certifications in 2014, and OTEO Saint-Aubin obtained ISO 14001:2004 certification in 2014. In France, the Solar Power business was granted triple certification in 2016, making Albioma the first triple-certified French photovoltaic energy producer. The certification process will be extended to all Group businesses and all locations in the next few years.

Security of employees and individuals present on industrial sites

Description of the risk	Management
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 company has invested in a number of updated operational tools and resources in recent years, including a certified health and safety management system featuring: ▪ training and awareness programmes; ▪ internal monitoring of action plans; ▪ internal health and safety audits; ▪ ILO-OSH 2001 certifications. The creation, in 2017, of a Safety Department tasked with implementing a Group safety plan by 2020 resulted in further significant improvement in occupational accident frequency and severity rates in 2019.

Risks associated with climate conditions and the impact of climate change

Description of the risk	Management
Given the nature of its business activities and the location of its sites, the Group is exposed to climate-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 that location, 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 region and the Indian Ocean (French overseas departments and Mauritius) region are exposed to the risk of natural disasters (volcanic eruptions, tropical storms, hurricanes, cyclones, flooding and earthquakes in the West Indies). Such events could result in a temporary outage or extended shutdown of production facilities, or even the partial or total destruction of a plant. In Brazil, the variable climate conditions may result in long periods of drought, alternating with more humid periods. Periods of drought, which restrict use of hydroelectric facilities, may cause electricity spot prices to rise considerably, which is to the Group's advantage. Conversely, humid periods may cause electricity spot prices to fall, to the Group's detriment. The Brazilian climate may also affect a sugar mill's ability to meet its contractual commitments to deliver biomass fuel (quantity and quality of the bagasse delivered, including in particular its fibre content), exposing the Group to a counterparty risk. The partnership agreements impose penalties on the sugar mills in the event they are unable to deliver the agreed quantity of biomass, creating a risk associated with the sugar mill's ability to meet its contractual commitment. More generally, from a longer-term perspective, the overseas territories in which the Group operates are exposed to the effects of climate change. The report *The economic impact of climate change and adaptation in the Outermost Regions (Impact économique du changement climatique et de l'adaptation dans les Régions ultrapériphériques)*, published in 2014 by Amec Foster Wheeler for the European Commission, predicts in particular: ■ an increased risk and frequency of flooding, due to more frequent storms and extreme rainfall events, and to rising sea levels; ■ an increase in the water stress risk associated with salt water infiltration contaminating freshwater resources; ■ the modification of annual precipitation patterns, with wetter winters and drier summers; ■ increased average temperatures; ■ soil degradation, leading to an increased risk of surface run-off; ■ increased numbers of insect pests and invasive species; ■ an increased risk of forest fires. These climate changes entail a number of environmental risks liable to directly affect the Group's activities, including the risk of flooding and landslides, exposure to extreme climatic events, water stress risks and a risk of reduced availability of biomass resources.	Such potential events are factored into the design, construction and operation of production units. In most cases, operating contracts (other than contracts for the Solar Power business and the Albioma Galion power purchase agreement) address the risk of natural disasters via a force majeure clause. 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. In Brazil, climate risks are mainly managed via a three-pronged strategy based on securing future electricity sales (as a result of which only the share of the Group's production not secured on the open or regulated markets is exposed to spot rates), meticulously selecting sugar industry partners, and diversifying its geographic presence. Regarding Albioma's exposure to risks arising from the effects of climate change more generally, the Group assesses the exposure of its existing and planned facilities to such risks on a case-by-case basis, taking climate change forecasts into account, and implements any necessary measures. In particular, thorough impact assessments are carried out in connection with operating license applications. As regards climate change, the Group's strategy, aimed at increasing the proportion of energy produced using renewable sources to over 80% by 2023, is an intrinsic part of its low carbon strategy for the core areas of the Group's businesses.

1.8.1.3. Labour relations risks

Risks relating to availability of qualified personnel

Description of the risk	Management
The technical nature of the Group's business activities means that it requires a high level of availability of 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 facilities 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 in particular of bonus performance shares to employees; ■ the definition and regular review, under the aegis of the Nomination, Remuneration and Governance Committee, of a succession plan for key Group executives, so that recruitment efforts and medium- and long-term training can be adapted as necessary and a talent management plan; ■ identification, in the project development phase, of recruitment needs and integrated management as part of the project management process

Risk of strikes

Description of the risk	Management
The Group is exposed to the risk of strikes and other labour disputes, particularly at its Thermal Biomass plants in the overseas departments and regions, 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 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 facilities 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 gives its employees a stake in the Group's growth and long-term value creation, through the allocation of bonus performance shares, profit-sharing agreements and incentive schemes.

1.8.1.4. Risk of dependency on third parties

Procurement risks

Description of the risk	Management
The Group is exposed to a risk of a shortage or delay in supplies of raw materials or fuels needed for its operations, in particular for its Thermal Biomass business: ▪ in the French overseas departments and regions and Mauritius, to the risk of delays, and to a lesser extent as a result of the Group's supplier diversification policy, interruption in the supply of coal and where applicable, imported biomass; ▪ in Brazil, to the risk of inclement weather or interruptions in the supply of bagasse by the sugar producer, potentially exposing it to operational difficulties or financial hardship; More generally, the Group is exposed to the risk of a shortage of or delay in supplies of strategic 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 constitutes and manages a fuel reserve at each of its plants, in order to cope with any supply chain delays or failures, but cannot guarantee to keep facilities available in absolutely all circumstances. In Brazil, the contracts with sugar producers include penalties for bagasse supply failures, but the Group cannot guarantee to keep the plant available in all circumstances in the event of a supply failure; where appropriate, the Group may be able to procure bagasse or other types of biomass from alternative suppliers, albeit at prices not fixed in advance. Regarding supplies of imported biomass, the supply risk is managed by entering into long-term contractual relationships with multiple top-tier suppliers. The Group manages a stock of strategic parts with long procurement lead times in order to reduce exposure to the risk of delays or supply failures.

Credit and counterparty risks, and other risks relating to dependency on clients and suppliers

Description of the risk	Management
Generally, given the stability of the Group's clients in metropolitan France, the French overseas departments and regions and Mauritius, the Group's exposure to a counterparty risk relating to trade receivables is not material. Regarding the Thermal Biomass business, the structure of the Brazilian electricity market leads the Group to enter into power purchase agreements with major industrial and commercial partners, thereby exposing it to a counterparty risk. The Group is exposed to a limited counterparty risk with regard to its suppliers and subcontractors in connection with its French overseas activities. Notwithstanding the Group's meticulous selection process, the inability of a supplier or subcontractor to deliver an agreed service as a result of a default or failure during the construction, maintenance or operation of an installation (including fuel deliveries) could result in a delay in the industrial commissioning of a plant or subsequent operational unavailability, adversely impacting the Group's results. Regarding the Thermal Biomass business 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. If the sugar-producing partner is unable to deliver the quantities of bagasse needed to operate the plant, for operational or financial reasons, this could have a material adverse impact on Group performance. Note that the partnership agreements impose penalties on the sugar producers if they are unable to deliver the agreed quantities of biomass. There is therefore a risk associated with the sugar producer's financial capacity to meet its contractual commitments. The largest supplier during the past financial year was a coal supplier. In 2019, invoices from this single supplier totalled €30 million, excluding tax. In 2019, the total amount invoiced by the Group's ten largest suppliers was €171 million, excluding tax, compared with €158 million in 2018. 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 income from EDF amounted to €461.7 million in 2019, representing 91.3% of consolidated income for the 2019 financial year. This is slightly up on 2018 (90.6%). Revenue earned with the Central Electricity Board is not included in consolidated income, 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.	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.

1.8.1.5. Legal risks

Risk relating to regulatory changes

Description of the risk	Management
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 facilities into compliance, which could reduce the profitability of its facilities. In Brazil, contracts do not include provisions to safeguard the Group from adverse regulatory changes. 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 facilities would remain profitable. More specifically, any unfavourable discretionary and/or retroactive change to the regulations applying to tariffs for electricity produced by photovoltaic facilities, or to the tax regulations applying to these business activities (increasing existing taxes), could affect the Group's results for its current and future business activities.	The clauses designed to preserve the economic balance of the long-term electricity sale agreements for the Thermal Biomass businesses in the French overseas departments factor in the possibility of such regulatory changes.

Non-compliance risks

Description of the risk	Management
The Group operates its industrial facilities within a strictly regulated framework, particularly as regards the environment. All the Group's thermal power plants are subject to the laws and regulations governing environmentally-sensitive facilities (ICPE). The ICPE regulations also require the rehabilitation of sites when the classified activity is discontinued and the provision of financial guarantees for certain facilities. 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 2010/75/EU of 24 November 2010 on industrial emissions). Environmentally-sensitive facilities are supervised by the local Prefects and the DEAL (the French environment, planning and housing authorities), which are responsible for inspecting these facilities. 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 facilities; the Prefect can even propose its closure by means of a Council of State decree.	The compliance of facility operations with applicable laws and regulations is continually tracked by the Group, with ongoing monitoring of applicable regulations and close and continuous oversight of the operation of its facilities. 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.

Litigation risk

Description of the risk	Management
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 environmentally-sensitive facilities (ICPE); ▪ possible breach of conditions accompanying the grant of tax benefits; ▪ challenging of tax benefits granted to investments made in French overseas department and territories; ▪ 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 mainly 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. Where necessary, the Group books provisions for ongoing disputes, reflecting its best estimate of the potential adverse financial consequences of these disputes. See additional information in Note 28 to the consolidated financial statements for the 2019 financial year on page 191 in Chapter 4 of this Universal Registration Document, and in Note 4.2 to the parent company financial statements for the 2019 financial year on page 222 in Chapter 5 of this Universal Registration Document.

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

- The Group's thermal facilities experienced significant labour disputes during 2011, mainly concerning the conditions for application of Article 14-6 of the Conditions of Employment of the Electricity and Gas Industries (industries électriques et gazières – IEG). Employees were demanding entitlement to the "colonial compensation" available to State employees working in the French overseas territories pursuant to Article 14-6 of the IEG Conditions of Employment. In 2012, this dispute on the application of the IEG Conditions of Employment was brought before the courts in Guadeloupe and Reunion Island 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 departments, including EDF. All these cases were then grouped together before the Paris District Court (Tribunal de Grande Instance), which, when preparing the file, asked the Conseil d'Etat for a decision on the legality of certain regulations implementing the IEG Conditions of Employment and for its interpretation of Article 14-6 of the Conditions of Employment. The Conseil d'Etat has dismissed the arguments put forward by FNME-CGT, considering in particular that Article 14-6 of the IEG Conditions of Employment had been deprived of all effect as a result of the adoption of certain laws and regulations post-dating the entry into effect of the IEG Conditions of Employment. The ongoing proceedings were dismissed on 10 July 2018. FNME-CGT has two years from that date in which to reapply.
- In 2012, Albioma Bois-Rouge (formerly Compagnie Thermique de Bois-Rouge) brought a claim in tort in respect of latent defects against Alstom Power in the Paris District Court seeking compensation for losses incurred in connection with significant damage to the steam turbine acquired from this supplier. The expert assessment, launched in 2013 at the request of Albioma Bois-Rouge, is still ongoing.
- 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, 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 thermal plant during the 2009 sugar harvest. 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 filed a new procedural suit before the District Court. In April 2015, the court again found in favour of Albioma Bois-Rouge. This decision was upheld by the Saint-Denis Appeal Court on 5 April 2017. QBE Insurance subsequently appealed against this decision to the Cour de Cassation. In a judgement handed down on 13 January 2020, the Cour de Cassation reversed the decision of the Saint-Denis Appeal Court to which the dispute was referred.

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 2019 or since the end of the year.

1.8.1.6. Financial risks

Liquidity risk

The Group's Finance 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 Finance 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. See additional information in Note 25 to the consolidated financial statements for the 2019 financial year on pages 185 *et seq.* in Chapter 4 of this Universal 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 2019, the breakdown of the liquidity position compared with that of previous years was as follows.

In € thousands	31/12/2019	31/12/2018	31/12/2017
Other current financial assets	18,833	18,738	17,613
Bank accounts	142,550	76,559	74,440
Unused credit facilities	65,000	2,000	55,000
Liquidity position	**226,383**	**97,297**	**147,053**

Market risks

Risk of unfavourable changes in electricity prices

With regard to its business activities in Metropolitan France, the French overseas departments and Mauritius, the Group is not exposed to any unfavourable changes in market prices for electricity, given the contractual framework in place (see additional information in Section 1.3.2.2 on pages 11 *et seq.* of this Universal Registration Document).

With regard to the Group's Brazilian activities (see additional information in Section 1.3.2.2 on page 13 of this Universal Registration Document), the Albioma model, based on contracts for the long-term sale of electricity produced, is currently being rolled out. In addition to short- and medium-term contracts signed with industrial and commercial partners at predetermined prices, the Brazilian plants have secured long-term sales on the regulated market (20 years) for part of their production. On average over the past five years, over 90% of energy sales were secured by long-term contracts on satisfactory price terms, thus limiting exposure to the risk of unfavourable changes in electricity prices. The remainder is sold on the spot market, on terms that may be unfavourable, but the impact on the results of the Group's Brazilian activities will be limited.

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 2019, the Group's borrowings were split as follows:

	31/12/2019				31/12/2018			
In € thousands	Bank overdrafts, accrued interest and loan issue costs	Project debt	Corporate debt	Total	Bank overdrafts, accrued interest and loan issue costs	Project debt	Corporate debt	Total
BORROWINGS FROM FINANCIAL INSTITUTIONS								
Fixed rate	146	70,794	88,500	159,440	-	78,453	84,500	162,953
Variable rate	(14,079)	766,191	15,000	767,111	(13,330)	559,971	53,000	599,641
Sub-total	**(13,933)**	**836,985**	**103,500**	**926,552**	**(13,330)**	**638,424**	**137,500**	**762,595**
LEASE LIABILITIES								
Fixed rate	-	6,622	-	6,622	-	7,621	-	7,621
Variable rate	-	4,751	-	4,751	-	75,482	-	75,482
Sub-total	**-**	**11,373**	**-**	**11,373**	**-**	**83,103**	**-**	**83,103**
LEASE LIABILITIES RELATED TO RIGHT-OF-USE ASSETS	**-**	**35,934**	**-**	**35,934**	**-**	**-**	**-**	**-**
Total financial debt	**(13,933)**	**884,292**	**103,500**	**973,859**	**(13,330)**	**721,528**	**137,500**	**845,698**

Financial debt included variable-rate debt of €771.9 million at end-2019, compared with €675.1 million at end-2018. This increase was mainly due to draw-downs to fund work to bring the thermal power plants into compliance with the EU Industrial Emissions Directive (IED), to convert the biomass facilities in Guadeloupe, and to build new photovoltaic facilities on Reunion Island. It was also due to the draw-down of new non-recourse project debt to finance the solar power assets acquired following the purchase of Eneco's French subsidiary. This draw-down enabled the Group to repay the short-term credit lines which had been used to finance that company's acquisition in December 2018.

Since interest rate changes cannot be passed on to customers, companies with variable rate financing agreements have put in place appropriate hedges in the form of swaps, i.e. swapping variable interest rates for fixed interest rates.

The interest rate hedges are described in Note 26 to the consolidated financial statements for the 2019 financial year on page 188 in Chapter 4 of this Universal Registration Document.

Sensitivity of financial assets and liabilities to variations in interest rates is described in Note 34.1 to the consolidated financial statements for the 2019 financial year on page 194 in Chapter 4 of this Universal Registration Document.

Currency risk

The Group publishes its consolidated financial statements in euros, and in 2019 95.0% of its revenue and 92.5% of its EBITDA was recognised in euros.

Currency risk - Operational

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;
- Purchases of some machinery, essentially in connection with the construction of new power plants.

These transactions, which require immediate payment, are hedged by buying the currency in question prior to the transaction, the Group thus never being exposed to the risk of a significant fluctuation in the exchange rate of those currencies.

Currency risk - Financial

Financial assets and liabilities denominated in foreign currencies stem from local currency commitments by Group subsidiaries. The related currency risk is solely linked to the translation into euros of the financial statements of those subsidiaries when preparing the Group's consolidated financial statements.

Currency risk from investment in foreign subsidiaries

This currency risk arises from:

- the business of the Brazilian companies: in growing its Thermal Biomass business 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 translated into euros, and this will make it more difficult to compare performances from one year to the next. For example, if the euro appreciates against the Brazilian real, this will reduce the contribution to the 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;
- the activity of companies in which Albioma holds non-controlling interests in Mauritius and whose financial statements are prepared in Mauritian rupees. Currency risk 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 financial debt, denominated in certain cases in euros, and the partial indexation to the euro of electricity sale agreements. Also, the Group has recognised embedded currency derivatives (Euro/Mauritian rupee) relating to electricity sale contracts.

At 31 December 2019, currency risk from investment in foreign subsidiaries breaks down as follows:

Value in euros of assets in BRL

In € thousands	31/12/2019	31/12/2018	31/12/2017
Assets	112,291	102,156	87,225
Liabilities	(34,839)	(31,745)	(28,220)
Net position before hedging	**77,452**	**70,411**	**59,005**
of which, Group share	57,692	53,607	47,937
of which, non-controlling shareholders	19,760	16,804	11,068
Off-balance sheet position, Group share	3,892	3,739	4,092
Net position after hedging, Group share	**61,584**	**57,346**	**52,029**

Value in euros of assets in Mauritian rupees

In € thousands	31/12/2019	31/12/2018	31/12/2017
Assets	21,737	23,292	22,794
Liabilities	-	-	-
Net position before hedging, Group share	**21,737**	**23,292**	**22,794**
Off-balance sheet position, Group share	-	-	-
Net position after hedging, Group share	**21,737**	**23,292**	**22,794**

Sensitivity to currency risk from investment in foreign subsidiaries in 2019 – Euro / BRL

	Impact on net income		Impact on shareholders' equity	
Brazilian real	**5% increase**	**5% decrease**	**5% increase**	**5% decrease**
	0.2%	(0.2%)	0.8%	(0.7%)

Sensitivity to currency risk from investment in foreign subsidiaries in 2019 – Euro / Mauritian rupees

These net positions in Mauritian rupees are subject to a hedge of a net investment in a foreign operation (see additional information in Note 18 to the consolidated financial statements for the 2019 financial year on pages 178 *et seq.* in Chapter 4 of this Universal Registration Document). As such, a movement in the euro / Mauritian rupee exchange rate would have no material impact on shareholders' equity.

Equity risk

Equity risk is limited due to the nature of the Group's cash investments (money market mutual funds benefiting from good ratings and subscribed with recognised institutions). As at the date of filing of this Universal Registration Document, there are no treasury shares (see additional information in Section 6.3.6.2 on pages 263 *et seq.* of this Universal Registration Document on treasury shares).

Risk relating to significant off-balance sheets commitments

The Group has entered into off-balance sheets commitments in connection with its day-to-day operations.

See additional information in Note 35 to the consolidated financial statements for the 2019 financial year on pages 196 *et seq.* in Chapter 4 of this Universal Registration Document.

1.8.2. INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

1.8.2.1. Definition and objectives of internal control and risk management

The 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 implementation of the strategy defined by the Board of Directors, translated into economic and financial objectives and measures aimed at operational efficiency, 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 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 judgement or problems that may arise from technical and human failures or from mere 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.

1.8.2.2. Group structure

The structure introduced in 2016, when the roles of Chairman of the Board of Directors and Chief Executive Officer were separated, is described in Section 1.5.3 on pages 23 *et seq.* of this Universal Registration Document. This change in governance entailed a number of changes to the organisation of the internal control function, in particular as a result of the definition by the Board of Directors of the respective powers of the Chairman of the Board of Directors and the Chief Executive Officer. The combining, following the General Meeting of 27 May 2019, of the roles of Chairman of the Board of Directors and Chief Executive Officer, resulted in the vesting of all powers in a single person, the Chairman and Chief Executive Officer (see additional information in Section 2.2.1 on pages 72 *et seq.* of this Universal Registration Document).

The Group's structure in 2019 was based on operating divisions, created by combining its two businesses (Thermal Biomass and Solar Power) and the regions in which it operates:

- Thermal Biomass - France
- Thermal Biomass - Brazil
- Thermal Biomass - Mauritius
- Solar Power - France and Southern Europe

At head office, the central departments formed a separate operating division, providing central support services. During the financial year, these central departments were:

- Industrial Department, including the Technical and Construction Department and the Procurement and Maintenance Department;
- Administrative and Finance Department, including the Legal Affairs Department, the Accounting Department and the Management Control and IT Transformation Department;
- Corporate Social Responsibility and Environment Department
- Human Resources Department
- Safety Department
- Company Secretariat.

1.8.2.3. 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, including seminars (e.g. seminars for Directors, for senior management and for operational staff) and internal information documents, providing all employees with important information on the latest developments within the Group and updates on strategy implementation. 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 2.3.3 on pages 92 *et seq.* of this Universal Registration Document;
- General Management and the Executive Committee;
- the Administrative and Finance Department and the other functional departments
- the internal audit function.

Throughout 2019, the Group continued to reinforce its system for delegating powers, which enables the duties and responsibilities of all the relevant parties to be defined clearly and precisely.

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 in this work by its specialised Committees. By authorising structuring projects, it ensures the continuity 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 sustainable development indicators, based on the monthly reports produced by the Administrative and Finance Department.

In collaboration with the Audit, Accounts and Risks Committee and the Corporate 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.

Lastly, the Audit, Accounts and Risks Committee has a key role to play in the internal audit function (see additional information in Section 2.3.3.1 on pages 101 *et seq.* of this Universal Registration Document).

General Management

General Management implements the strategy defined in conjunction with the Board of Directors and, in this regard, is responsible for the proper functioning of the internal control and risk management system it puts in place, 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.

Executive Committee

The Executive Committee meets twice a month, 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-departmental matters with a view to formulating action plans to be implemented by the operational and functional departments.

The Administrative and Finance Department and the other functional departments

The Administrative and Finance Department, which oversees the Legal Affairs Department, the Accounting Department, the Management Control Department and the IT Department, 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 Management 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.

The Administrative and Finance Department also encompasses the internal audit function, which was given a formal structure in the same year; the internal audit function reports to General Management and the Audit, Accounts and Risks Committee.

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 Technical and Construction Department and the Procurement Department, which are now part of the Industrial Department, whose actions are vital for preserving the value of the Group's assets;
- 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 with 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 Legal Affairs Department, by ensuring, in particular, the legal security of operations;
- the IT Transformation Department, by ensuring that the Group's information systems offer a level of security that is adequate to guarantee data integrity and retention;

- the Corporate Social Responsibility and Environment Department, which is responsible for monitoring the compliance of the Group's operations with environmental requirements and the implementation of resulting action plans, also verifies the consistency of non-financial data communicated to the market and ensures the interests of the Group's partners are properly taken into consideration in its business operations;
- the Safety Department, which supervises industrial safety within the Group;
- the Company Secretariat, which is responsible for the Secretariat of the Board of Directors and the specialised Committees and for monitoring matters associated with company law, stock market laws, compliance and ethics, assists the Administrative and Finance Department in the financial communication control process and oversees regulatory communication.

The internal audit function

Functionally part of the Administrative and Finance Department, the internal audit function reports hierarchically to General Management and the Audit, Accounts and Risks Committee. The Chairman of the Board of Directors is now responsible for ensuring, in conjunction with the Audit, Accounts and Risks Committee, the effectiveness of the internal control system and, more specifically, the internal audit function; to that effect the Chairman of the Board of Directors shall be entitled to access internal audit reports at any time and shall be entitled to order internal audits, provided he first informs the Chief Executive Officer.

The internal audit function is responsible for the permanent monitoring of the Group's internal control system. It carries out assurance engagements to assess the level of internal control in application of Group procedures. These procedures focus in particular on the organisation and functioning of all functions (processes) and Group structures (companies, departments).

Audits conducted by the internal audit function are listed in the annual audit plan drawn up on the basis of the Group's risk mapping and audited entities' track records or phase of development; the plan is submitted to General Management and the Audit, Accounts and Risks Committee.

An audit report is prepared following any internal audit, and is presented to General Management and the Audit, Accounts and Risks Committee. The report details any problems identified and the resulting potential risks, and contains recommendations to be implemented within the framework of corrective action plans, which will be monitored at the highest level by the Audit, Accounts and Risks Committee.

Internal audit findings are communicated to the Statutory Auditors, who are also involved in the internal audit process.

1.8.2.4. The risk management process

In the performance of its activities, the Group is exposed to a variety of risks. The main risk factors the Group faces are described in Section 1.8.1 on pages 28 *et seq.* of this Universal Registration Document.

The Group considers the identification and full understanding of the various categories of risks to which it is exposed to be essential. 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.

The Group has introduced and regularly updates a risk mapping system that provides it with a summarised, 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. On the basis of the work of the Audit, Accounts and Risks Committee and, with regard to employment, social and environmental risks, that of the Corporate Social Responsibility Committee, the Board of Directors reviews this risk mapping at least once a year to ensure that it is comprehensive and that the action plans implemented by General Management are effective as a result. Specific cases corresponding to risks identified during risk mapping or new risks are also regularly referred to the Board of Directors so that it can specifically analyse their potential impact and review the corrective action plans prepared by General Management.

The Group is committed to continuously improving the completeness and effectiveness of its risk mapping. In conjunction with the work carried out by the Corporate Social Responsibility Committee, the Group has introduced unified mapping incorporating employment, environmental and social risks alongside specific mapping for corruption and influence peddling risks. The Corporate Social Responsibility Committee is involved, together with the Audit, Accounts and Risks Committee, in reviewing this unified risk mapping. The Audit, Accounts and Risks Committee and the Corporate Social Responsibility Committee are both closely involved in reviewing risk mapping and therefore improving both the level of detail of the analysis (modulation of standard risks according to region as well as probability of occurrence and impact) and the comprehensiveness of risks managed. The medium-term changes to the process for identifying risks and drawing up preventive or corrective actions are designed to professionalise the risk management system and the risk mapping process to make it part of a structured reporting system.

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 risk mapping, to ensure that the level of coverage the Group has is constantly being amended in line with the risks it has identified (see additional information in Section 1.8.3 on pages 44 *et seq.* of this Universal Registration Document).

1.8.2.5. Control activities and procedures

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 Finance 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 regards non-financial information, in line with the procedures for producing non-financial information, verified by an Independent Third-party Body (see additional information in Section 1.9 on pages 46 *et seq.* of this Universal Registration Document), which is obtained using an integrated data compilation and analysis tool for non-financial information, which will be gradually adapted for use by the Management Control Department to compile and analyse production data.

Medium-term 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 Finance Department on the basis of the strategic orientations proposed by General Management are approved by the Board of Directors. The budget is adjusted when the half-yearly financial statements are prepared, and the Board of Directors is kept informed.

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.

Procedures applicable to projects and for deciding on, making and monitoring investments

The Company is 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 next. Accordingly, investment decisions are approved only at the conclusion of a standardised cycle punctuated by launch, finalisation and commitment meetings, involving the Commitments Committee and, lastly, 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 the investment accordingly. Cross-functional project management by the internal steering committees, composed of members of all the functional departments and the regional management team, enables decisions to be made about critical resources (financial and human), thereby securing completion of the projects concerned. As a result of the scaling up of Group investments, and the corresponding increase in its commitments, a Management Controller has been specifically assigned to each developed project entailing a material commitment, who is responsible for monitoring the level of commitments and payments made, ensuring they remain in line with the project investment budget and the related cash flow forecasts. Much work was done on the project management process in the 2019 financial year culminating in the implementation of a formalised project management procedure and its dissemination throughout the Group.

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 the compliance of their practices with the Group's corporate social responsibility commitments. The Group drew up general procurement terms and conditions setting the Group's procurement standards and comprising a specific clause dealing with the corporate social responsibility of its suppliers. It introduced a standard framework agreement for use by its suppliers.

A Procurement Operations Guide describes 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, stock management, etc.).

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). Strategic stock management is carried out at each operating level and controlled centrally for pooling purposes.

In addition, maintenance of the Group's plants is monitored by means of Computer-Aided Maintenance Management (CAMM). 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. It can also be used as a budget control tool to monitor financial commitments.

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 Albioma Bois-Rouge (certification obtained in 2013). The same triple certification was also obtained by Terragen in Mauritius in 2014. OTEO Saint-Aubin obtained ISO 14001:2004 certification in 2014.

In 2016, Albioma became the first French photovoltaic electricity production company to be triply certified Quality-Safety-Environment (QSE): triple certification has in fact been obtained for all the Group's Solar power activities.

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 to the Albioma Le Moule and Albioma Caraïbes facilities, then to all its activities, regardless of their location.

In addition to certifications, the Group continued to make improvements in 2019 with the implementation of the staff safety oversight process, with the implementation of a safety plan by 2020 led by the Safety Department, which saw a significant improvement in the occupational accident frequency and severity rates.

Procedures applicable to the production of the accounting and financial information

Organisation of the Administrative and Finance Department

The Administrative and Finance 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 and accounting processes for the Brazilian companies 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 (with the exception of the Brazilian companies), 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 Finance 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 accordance with a standardised process, 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 accounting systems by the accounts staff, 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 accounts staff in accordance with a standardised process (downloading of provisions and orders issued by the computer-aided maintenance management system, inventory reports, recognition of commissioning of property, plant and equipment, payroll, 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. This extract is sent to a third-party service provider responsible for the consolidation and for producing, under the responsibility of the Administrative and Finance 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 Finance 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 2.3.3.1 on pages 101 *et seq.* of this Universal 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 financial statements of consolidated subsidiaries are audited on an annual basis and are certified by the Statutory Auditors concerned.

The effectiveness of the Statutory Auditors' work and their independence are regularly reviewed by the Audit, Accounts and Risks Committee.

1.8.3. INSURANCE POLICY

1.8.3.1. General remarks

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 designated events";
- "Civil Liability" polices, 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. 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 (excluding Brazil) came to €5.1 million in 2020, up on 2019 due to the tighter market conditions.

1.8.3.2. Summary of main policies

Damage and operating losses

Thermal Biomass

As at 1 January 2020, the Group's thermal power plants in France and Mauritius[1] were covered by the following insurance policies:

- First-line policy with an insured amount of €1,495 million for direct loss and damage and €525 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 €800,000 million for direct loss and damage, and between 30 and 45 days for operating losses), with an aggregate pay-out limit per plant (€250 million, limited to two plants) or a specific limit per event (i.e., storms, hurricanes and machine breakage);
- Second-line policy with an insured amount of €642 million for direct loss and damage and €206 million for operating losses, with an excess of €250 million and an aggregate pay-out limit per plant of €150 million.

As at 1 January 2019, the Group's thermal power plants in Brazil were covered by the following insurance policies:

- policy providing BRL 176 million for direct damage and BRL 49 million for operating losses for Albioma Rio Pardo Termoelétrica;
- policy providing BRL 182 million for direct damage and BRL 52 million for operating losses for Albioma Codora Energia;
- policy providing BRL 117 million for direct damage and BRL 42 million for operating losses for the Albioma Esplanada Energia plant;
- combined policy providing BRL 250 million for direct damage and BRL 63 million for operating losses for the future Vale do Paraná Albioma plant and the Vale do Paraná sugar refinery;

Solar Power

As at 1 January 2019, the Group's photovoltaic installations were covered by several insurance policies for a total amount of €202 million for direct loss and damage and €53 million for operating losses.

Operational civil liability

As at 1 January 2020, the Group's Solar Power and Thermal Biomass activities in French overseas departments and territories were covered by operational civil liability policies for €40 million per claim, and also have civil liability after delivery coverage/professional civil liability coverage of €40 million per claim and per annum.

The Group's Brazilian subsidiaries were covered by operational civil liability policies for BRL 20 million.

Civil liability for environmental damage

As at 1 January 2020, the Thermal Biomass business (excluding Brazil) was insured for €30 million over three years (€20 million per claim) against environmental damage (including clean-up costs, which are covered for up to €5 million).

The Thermal Biomass business in Brazil had BRL 5 million in insurance for environmental damage.

1. Excluding OTEO La Baraque and OTEO Saint-Aubin.

Civil liability of corporate officers

As at 1 January 2020, the managers of Albioma and its subsidiaries (excluding Brazil) were covered for an amount of €50 million per annum (two lines of €25 million each) against civil liability.

Albioma's Brazilian subsidiaries were covered for BRL 76 million.

1.9. Corporate social responsibility information

1.9.1. INTRODUCTION

Following the transposition of Directive 2014/95/EU of 22 October 2014 as regards the disclosure of non-financial and diversity information into French law, Article L. 225-102-1 of the French Commercial Code replaced the corporate social responsibility disclosures to be incorporated into the Management Report with the non-financial performance declaration. This transposition also reviewed the scope of application of the non-financial reporting obligations, excluding Albioma for the 2019 financial year given that it was under the threshold of 500 permanent employees. Nevertheless, the Group opted to voluntarily publish certain corporate social responsibility information, verified by an Independent Third-party Body (see the limited assurance report on a selection of information relating to the 2019 financial year presented in Section 1.9.6 on pages 68 *et seq.* of this Universal Registration Document).

This non-financial information stems from a corporate responsibility policy approved by the Board of Directors of Albioma in 2017. Split into three pillars– employment, environmental and social, it is formalised by means of a series of commitments corresponding to the Group's material challenges. It is disseminated internally in the form of a 2018-2023 CSR roadmap. In 2017 and again in 2019, Albioma asked Vigeo Eiris, an independent third party, to rate the Group's non-financial performance. Thus, two years after rolling out its CSR policy, the marked improvement in the non-financial performance was recognised by a nine-point increase in the Vigeo Eiris rating. With a rating of 59 out of 100, Albioma is in the top 20 in the Electricity and Gas Industries in Europe.

It should be noted that, since 2016, Albioma has been included in the Gaïa index, which measures the ESG performance of SMEs and mid-cap companies listed in Paris.

1.9.2. REPORTING SCOPE AND METHODOLOGY

Subject to the clarifications set out below, the following information concerns Albioma subsidiaries (as defined in Article L. 233-1 of the French Commercial Code) and the companies it controls (as defined in Article L. 233-3 of the French Commercial Code), in other words, fully consolidated companies (see additional information in Note 40 to the consolidated financial statements on pages 202 *et seq.* in Chapter 4 of this Universal 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 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. In 2019, the scope of consolidation of employment and social information was broadened with the incorporation of Albioma Esplanada Energia in Brazil, an entity established following the acquisition of a second bagasse cogeneration unit from Jalles Machado Group. The hand-over of this industrial unit took place at the start of the sugar harvest, with environmental data also being included within the scope for the 2019 financial year. In a similar vein, Albioma Saint-Pierre on Reunion Island, commissioned on 25 February 2019 and for which employment and social information had already been consolidated in 2018, saw environmental information added to the non-financial scope. Environmental data for the Galion 2 thermal plant, commissioned on 29 September 2018, was also included for this financial year. Finally, in metropolitan France, the environmental data for the entities owned by Albioma Solaire France, acquired on 11 December 2018, was also included in the non-financial scope, aside from Eco Énergie Habitation which was disposed of on 20 December 2019.

The information collected in 2019 was defined so as to enable comparison with the data published in 2017 and 2018. The related responsibilities, scope, controls and reporting calendar are governed by a protocol that is reviewed annually and available to the Corporate Social Responsibility and Environment Department. Information is collected and consolidated under the responsibility of the Corporate Social Responsibility and Environment Department. The information collected is subjected to internal consistency tests prior to consolidation and publication before verification by the Independent Third-party Body.

1.9.3. EMPLOYMENT INFORMATION

With respect to employment information, Albioma is pursuing the three commitments included in its internal roadmap:

1. Ensure occupational health and safety
   - Develop a shared safety culture
   - Involve subcontractors in our safety processes and help them to meet our requirements
2. Support and motivate employees as we transform our businesses
   - Nurture talent
   - Encourage employees to play their part in the Group's energy transition
3. Actively promote equal opportunities
   - Increase the proportion of female employees hired
   - Take part in efforts to combat youth unemployment and people with disabilities

1.9.3.1. Employment

Total workforce and breakdown of employees according to gender, age and geographic location

Between 2018 and 2019, Albioma saw a year-on-year increase in headcount (+14%) and full-time equivalent payroll (+17%).

	2019	2018	2017
Total workforce as at 31 December	579	506	483
Annual full-time equivalent (FTE) workforce	559.2	476.3	463.9

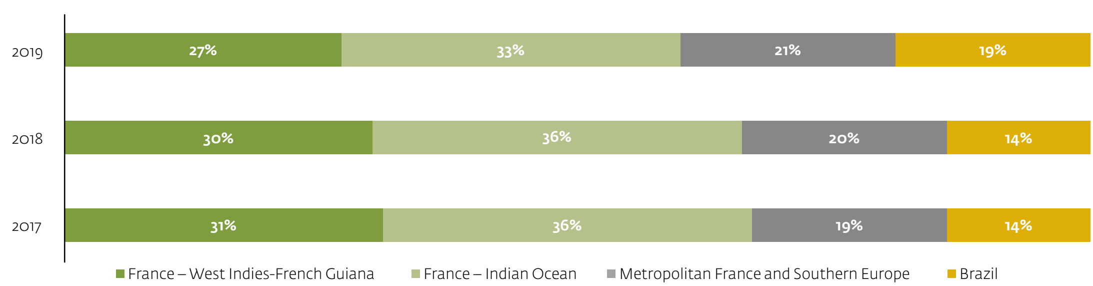
The most important change is concentrated in Brazil which saw its workforce increase 37% following the integration of Albioma Esplanada Energia. Most Albioma employees nevertheless continue to be based in French overseas departments and territories.

The Thermal Biomass business thus accounted for three quarters of Group employees in 2019, ahead of the Holding company and the Solar Power business. The latter saw its proportion of employees rise 20% from 2018 to 2019, at a slower pace than from 2017 to 2018 (+55%) due to the Group's integration of the operations of Eneco France to strengthen the positioning of Albioma's solar power business in metropolitan France.

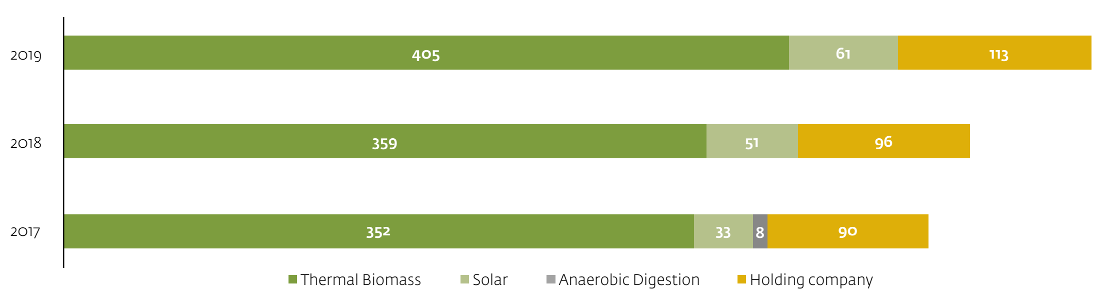
The number of female employees rose 20% to 100 in 2019 (from 83 in 2018). With the headcount increasing in parallel, the percentage of women in the workforce only rose slightly (+5%).

Albioma has a target of having 5% of its workforce made up of trainees and people in volunteering and work-study programmes. The 2019 result reaffirmed this target at 31 December that year, rising 6.4% compared with 4.7% in 2018.

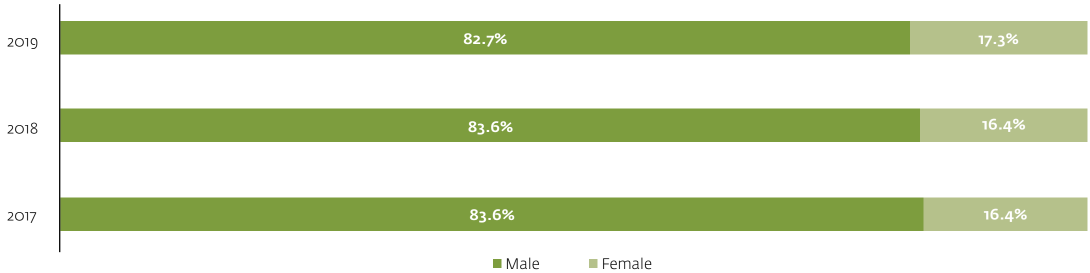
Breakdown of workforce by geographic location, as at 31 December



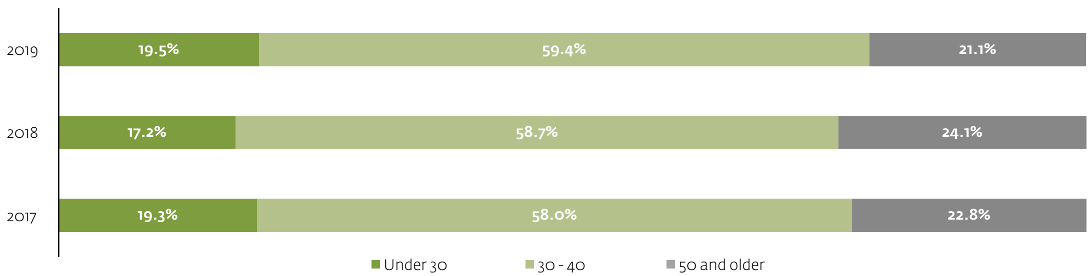
Breakdown of workforce by business sector, as at 31 December



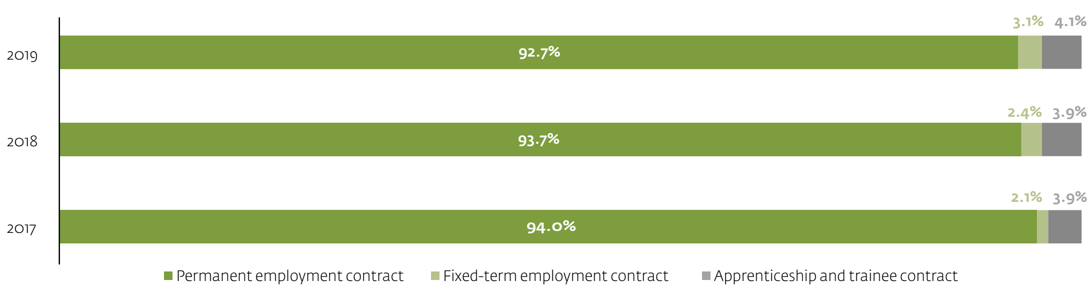
Breakdown of workforce by gender, as at 31 December



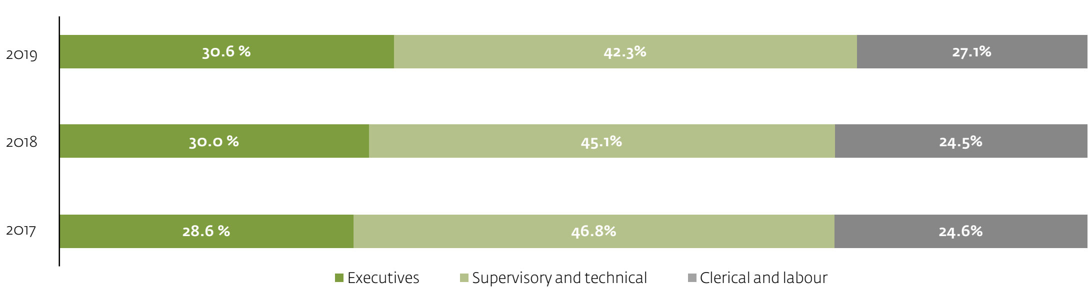
Breakdown of workforce by age, as at 31 December



Breakdown of workforce by type of contract, as at 31 December



Breakdown of workforce by employee category, as at 31 December



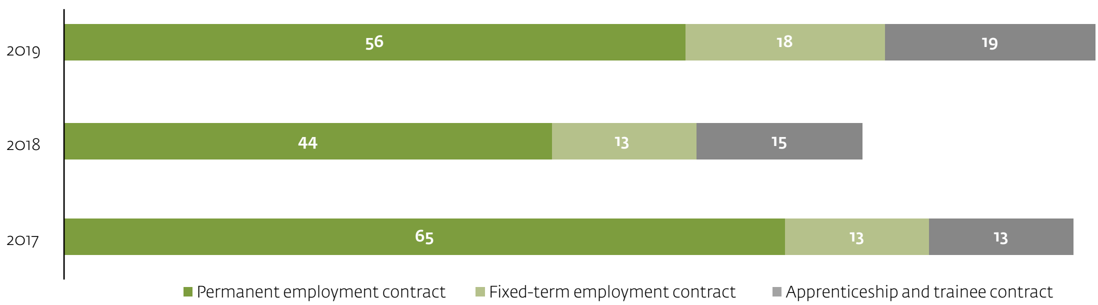
Hires and dismissals

Albioma hired 93 people in 2019 (compared with 72 in 2018). Most of the new hires in 2019 were by the Holding company (27), tied to the need for staff in the development and construction activities. The number of workers hired on apprenticeship and trainee contracts rose 27% from 2018 to 2019. They account for 20% of total new hires in 2019, just behind new hires by the Holding company.

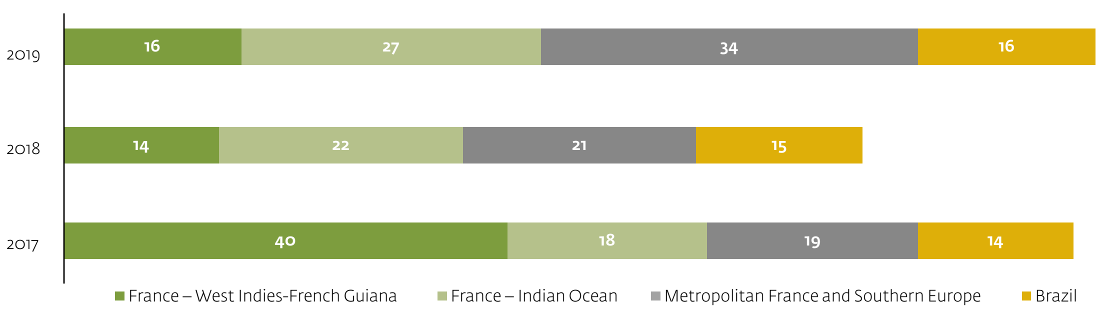
A total of 45 employees left the Group in 2019 (compared with 52 in 2018), of whom 25 following completion of fixed-term or vocational training contracts, seven resigned, six retired, five moved and two were terminated or didn't have their trial periods renewed.

The staff turnover rate was 13.6% in 2019, unchanged on 2018. The turnover rate represents the average Group hires and departures over the year, as a share of the total workforce on 31 December of the previous year.

Breakdown of recruitment by type of contract



Breakdown of recruitment by geographic location, as at 31 December



Remuneration

Remuneration policy

The Group operates 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).

Albioma's remuneration policy reflects 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 performance-related bonus shares and a range of benefits.

Changes in gross average monthly salaries

Albioma establishes its remuneration policy with regard to market practices and the Group's budget targets. The resulting baseline pay is supplemented by profit-sharing and/or incentive schemes that link all employees' remuneration to the Group's economic performance.

In France, employees with "IEG" status (a special status for workers in the electricity and gas industries) benefit from mandatory industry-wide annual salary negotiations, which determine the percentage by which the "gross national salary" is increased and propose a rate applicable to career advancement, measures automatically applicable on the basis of seniority and measures applicable to individual promotions. Pay for "non-IEG" Group employees is reviewed individually in accordance with the remuneration policy and employees' individual and collective performance.

The average salary in 2019 was up 3.37% on 2018. Broadly speaking, the integration of Albioma Galion, Albioma Saint-Pierre and Albioma Solaire France contributed to this trend. This indicator should be considered in light of average full-time equivalents which, while relatively stable across all companies, was up 7.76% at the Holding company. This trend was driven in particular by development and organisational targets.

In Brazil, the change in employee remuneration derives from a combination of annual pay negotiations and consideration for promotions and individual performance. In particular, the year-on-year change in remuneration reflects the inflation rate in Brazil. Local laws and regulations require annual pay review negotiations. The first collective bargaining agreement, covering salaries and other aspects, was introduced in 2015 at the Albioma Rio Pardo Termoelétrica plant.

Profit-sharing, incentive and employee savings plans

The following profit-sharing, incentive and employee savings plans operate side-by-side within the Group.

Albioma

Company savings plan

The Company savings plan, introduced on 1 December 1999, enables Company employees, with the help of their employer, to build up a portfolio of securities and buy shares in an employee shareholder company investment fund, which invests in company shares (FCPE Albioma).

Employees can make voluntary payments into the savings plan and also pay in amounts received under the collective incentive scheme or profit-sharing plan; these are supplemented by 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 are able to invest up to 25% of their annual remuneration in the savings plan.

Incentive scheme

The Company has introduced a succession of incentive schemes since 2006. The most recent covers the 2018-2020 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 provisions of Article L. 3324-1 of the French Labour Code. The special profit-sharing reserve is shared among employees proportionally to their salary.

Operating companies

The following special provisions apply to the operating companies:

"Thermique Réunion" economic and employment unit (UES) (Albioma Bois-Rouge - Albioma Le Gol)

Albioma Bois-Rouge and Albioma Le Gol operate an inter-company savings plan and an inter-company retirement savings plan set up under the terms of collective bargaining agreements introduced in 2008. These plans are funded by voluntary payments from employees, re-investment of incentive payments and company contributions.

A series of three-year incentive schemes have been signed in these companies since 2009. The most recent negotiations took place in 2018.

A special profit-sharing agreement covering all companies in the UES was set up in 2010.

Albioma Le Moule

On 31 July 2018, Albioma Le Moule and Albioma Caraïbes merged. The employee representative bodies of the former "Thermique Guadeloupe" Economic and Employment Unit (UES) were dissolved. A Social and Economic Committee was established in the acquiring company, Albioma Le Moule. Albioma Le Moule operates an inter-company savings plan and an inter-company retirement savings plan set up under the terms of collective bargaining agreements introduced in 2008. In 2012, the company introduced an incentive scheme covering the 2012-2014 period, subsequently extended by tacit renewal to cover 2015, 2016, 2017 and 2018. In 2018, a three-year agreement was signed for the 2019-2021 period. A special profit-sharing agreement has also been in place since 2010.

Albioma Caraïbes operated an inter-company savings plan and an inter-company retirement savings plan set up under the terms of collective bargaining agreements introduced in 2008. The incentive scheme introduced in 2012, initially covering the 2012-2014 period and subsequently extended by tacit renewal to cover 2015, 2016, 2017 and 2018, was in force in this company until 31 July 2018. With the merger of these two companies for accounting and tax purposes from 31 July 2018 with retroactive effect to 1 January 2018, the special profit-sharing agreement in place in Albioma Le Moule applied throughout the year.

Albioma Solaire Antilles – Albioma Solaire Guyane

A company savings plan was set up for these two companies in 2013. It offers employees of these companies the possibility of building up a securities portfolio with the help of their employer. Employees who invest their incentive bonuses in the plan benefit from preferential tax treatment. The savings plan is funded by voluntary employee payments, reinvestment of sums received under the profit-sharing plan and company contributions. Amounts invested are locked in for a five-year period, subject to the cases for early withdrawal allowed by French law. Employees who have worked for these companies for more than three months can invest up to 25% of their annual remuneration in this plan.

A series of incentive schemes have been introduced since 2010. The most recent three-year agreement, signed in 2019 and common to both companies, entitles employees who have worked for their 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 facilities managed by each of the companies is exceeded.

Albioma Solaire Réunion – Albioma Power Alliance – Plexus Sol – Albioma Solaire Mayotte

A company savings plan was set up for these four companies in 2013. It offers employees of these companies the possibility of building up a securities portfolio with the help of their employer. Employees who invest their incentive bonuses in the plan benefit from preferential tax treatment. The savings plan is funded by voluntary employee payments, reinvestment of sums received under the profit-sharing plan and company contributions. Amounts invested are locked in for a five-year period, subject to the cases for early withdrawal allowed by French law. Employees who have worked for these companies for more than three months can invest up to 25% of their annual remuneration in this plan.

A series of incentive schemes have been introduced since 2010. The most recent three-year agreement, signed in 2019 and common to all four companies, entitles employees who have worked for their company for more than three months to a percentage of the payroll based on the exceeding of the scheduled number of hours of electricity produced by all the photovoltaic installations managed by each of the companies, the performance of the plants built as against forecast and the total capacity of the contractually agreed developed projects.

Albioma Galion

A series of incentive schemes have been introduced since 2010. The most recent three-year agreement, signed in 2019, entitles employees who have worked for the company for more than three months to a percentage of the payroll based on the facility's technical performance coefficient and the production sold to EDF.

In addition, a three-year incentive scheme was introduced in 2019. It is based on the performance of the combustion turbine, the availability of the steam turbine, the consumption of local biomass and the site's Safety performance.

Brazil

Incentive schemes based on collective performance indicators have been operating at Albioma Rio Pardo Termoelétrica and Albioma Codora Energia since 2014 and 2015, respectively.

Share subscription and purchase option and bonus performance share plans

The Company's policy on share subscription or purchase options and the allotment of bonus performance shares is described in Section 6.4.1 on page 267 of this Universal Registration Document, together with the main features of the plans in place as at the date of filing of this Universal Registration Document.

Retirement plans

Mandatory supplementary retirement plans for Group employees in France 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 branch, which concern thermal power plant employees in France. 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 Albioma Bois-Rouge, Albioma Le Gol, Albioma Le Moule and Albioma Galion, who are covered by a system built on two collective bargaining agreements:
  - a directly applicable agreement executed in 2004 specifically concerning employees residing in French overseas departments and territories, 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.

All employees of the Brazilian entities are covered by the statutory State-run pension scheme.

1.9.3.2. Organisation of work

Organisation of working time

All Group companies comply with statutory, regulatory and contractual obligations relating to working hours, and those contained in the Memorandum and Articles of Association. Employees' working hours depend on their status and the business sector in which they work.

Working hours

In hours	2019	2018	2017
Number of hours worked	974,583	862,939	825,984
of which hours of overtime	62,189	54,653	47,944
Overtime / hours worked	6.4%	6.3%	5.8%

The increase in the number of hours worked (+14%) between 2018 and 2019 is correlated with the higher headcount at 31 December. Similarly, the inclusion of the Albioma Esplanada Energia plant in the reporting scope largely explains the increase in overtime (+14%) between 2018 and 2019. However, a comparison of the amount of overtime relative to hours worked remains reasonably stable over the past three years.

Breakdown of working hours

	2019	2018	2017
Percentage of employees working split shifts (fixed day hours)	63.6%	66.4%	64.0%
Percentage of employees working continuous shifts (alternating hours)	36.4%	33.6%	36.0%

Albioma's thermal power plants operate around the clock, supplying base-load electric power to the grid. As a result of which, some employees are expected to work non-standard hours. Working times, periods and breaks for employees who work continuous shifts at French plants are determined in conjunction with the occupational physician and employee representative bodies. In Brazil, working arrangements remained unchanged from what was agreed in the collective bargaining agreement signed in 2017.

The proportion of workers on continuous shifts was up (+8%) in 2019 following the inclusion of Albioma Esplanada Energia, where most staff work on shifts.

Absenteeism

The 2018 performance regarding the absenteeism rate, which for the record was the lowest ever at the Group, wasn't reaffirmed in 2019. Some Overseas plants saw the number of strike days increase, particularly the Albioma Galion plant which saw eight weeks of strikes. The change in the absenteeism rate was also due to the occurrence of two commuting accidents (from home to the workplace) at the Albioma Codora Energia plant and at the Holding company. On a happier note, time off for maternity and paternity leave also increased in 2019.

	2019	2018	2017
Absenteeism rate[1]	4.9%	2.7%	4.3%

1. Ratio between hours of absence and theoretical working hours (excluding overtime). The calculation is based on absences measured in working days, with the exception of absences relating to occupational accidents, which are measured in calendar days.

1.9.3.3. Labour-management relations

Organisation of employee-management dialogue

Within the Group, employee representation is organised as described below.

France

A Social and Economic Committee was established for the Company in June 2019. In October 2019, it notably approved in principle a first agreement on teleworking that, in the weeks following its signing, was extensively used during the Paris public transport strike.

For thermal plants in French overseas departments and territories:

- On Reunion island, the "Thermique Réunion" economic and employment unit (UES) brings together Albioma Bois-Rouge and Albioma Le Gol. Each of these companies elected a Social and Economic Committee, which in November 2019, replaced the previous staff representative bodies;
- in Guadeloupe and in Martinique a Social and Economic Committee was similarly elected in November 2019, replacing the previous staff representative bodies in each of the companies.

As part of labour management dialogue at Albioma, consultative meetings, chaired by the Group's Human Resources Director and bringing together the shop stewards of all French thermal power plants, are held in Paris alongside Works Committee meetings.

Following the complete revamping of the representative bodies as Social and Economic Committees at the parent company and the thermal plants, the Works Council was reconstituted in December 2019 in accordance with the provisions of the June 2010 agreement governing its establishment. The Works Committee met twice in 2019.

Brazil

In Brazil, there are no formal employee representative bodies at Albioma Rio Pardo Termoelétrica, Albioma Codora Energia and Albioma Esplanada Energia. Local laws and regulations require annual pay review negotiations.

Review of collective bargaining agreements

In 2019, all Group employees in France were covered by a collective bargaining agreement or had special IEG status.

The signing of multiple collective bargaining agreements in 2019 reflects the strength of the labour management dialogue policy at Albioma. In 2019, the number of agreements signed doubled to 25 from 13 agreements in 2018, including six on health and safety.

1.9.3.4. Health and safety

The Group operates industrial facilities, and as such is exposed to risks to the health and safety of its employees and partners.

Following the establishment of a Safety Department in 2017, Albioma continues to implement its policy on the matter. It takes the form of a safety plan containing six formal commitments:

- identify and standardise our requirements;
- increase commitment by our managers;
- encourage involvement by all workers;
- involve and align our subcontractors;
- acknowledge and promote our efforts and results;
- learn from and capitalise on mistakes and shortcomings.

After setting out the six requirements, and having raised employee awareness about that, thanks to a dedicated communications plan in 2018, the priorities set were carried forward in 2019. They relate to improving the risk prevention process, securing technical regulatory checks and improving accident analysis, including technical accidents. Finally, individual targets were set for managers. Work will continue in 2020 to improve safety management systems, harmonise them and further involve suppliers in this approach.

Health and safety conditions in the workplace

The Group has invested in operational resources at each industrial facility, to address health and safety issues affecting its employees and partners.

The two thermal power plants on Reunion Island (Albioma Le Gol and Albioma Bois-Rouge) have a certified health and safety management system, featuring:

- ILO OSH 2001 certification, which essentially focuses on occupational health and safety management systems, as recommended by the International Labour Organization in 2002;
- training and awareness programmes;
- internal monitoring of action plans;
- internal health and safety audits.

All of the Group's French photovoltaic plants have also held ILO-OSH 2001 certification since 2016.

Safety induction briefings are provided to all subcontractors at the Group's French facilities, to ensure that they comply with Albioma's safety requirements. At certified sites, additional efforts are made to uphold compliance with safety procedures by subcontractors, including twice-yearly meetings to present Albioma's safety commitments and annual performance reviews that may potentially result in a subcontractor being barred.

As in 2018, Albioma's ten golden safety rules continue to be disseminated and brought to the attention of new hires and current employees. Based on real-life examples, the golden rules form a practical guide to appropriate behaviour in situations involving a risk of accident. The golden rules are also explained to all subcontractors as part of the safety induction briefing. Starting in 2020, the latter will be mandatory for everyone.

A QSE (Quality, Safety and Environment) manager or safety technician has been appointed at each Group facility to enforce applicable standards.

Review of occupational health and safety-related collective bargaining agreements

Six collective agreements relating to health and safety were concluded in 2019. Three of them relate to the Guadeloupe-based Albioma Le Moule, in addition to each of the Brazilian companies (Albioma Rio Pardo Termoelétrica, Albioma Codora Energia and Albioma Esplanada Energia).

The safety plan involves all occupational health and safety stakeholders across all Group companies and businesses (Thermal Biomass or Solar Power, construction or operation).

In accordance with statutory and regulatory requirements, Health, Safety and Working Conditions Committees (CHSCT) met quarterly in 2019 in each of the qualifying Group companies. In France, the establishment in November 2019 of the Social and Economic Committee incorporating the former Occupational Health and Safety Committee (CHSCT) was accompanied by new modes of dialogue on occupational health and safety. This dialogue, in addition to being a regulatory requirement, is intended to improve accident prevention by respecting the roadmap set out in the safety plan.

Accident analysis and occupational illnesses

Accidents and near-accidents are constantly monitored by the Safety department, both within the operational companies and at the Group's work sites. All instances are systematically reported, including a situation analysis and corresponding action plan, to Group management, Regional Managers, plant managers and all quality, safety and environment (QSE) managers, as well as other employees with a role in upholding the safety policy.

The six occupational accidents that took place in 2019 resulted in 211 days lost in 2019 (excluding Mauritius). These figures reaffirm the progress the Group has made in terms of health and safety risk prevention, as they are translated into a 34% fall in the occupational accident frequency rate between 2018 and 2019. The occupational accident severity rate also fell 27%, the number of days lost following occupational accidents dropping from 259 in 2018 to 211 in 2019.

	2019	2018	2017
Occupational accident frequency rate	6.16	9.27	20.58
Occupational accident severity rate	0.2	0.3	1.1
Number of occupational illnesses	-	-	-
Number of fatal accidents	-	-	-

Although this is the Group's best ever performance, Management undertakes to continue working on this, by continuing to monitor its activities and at the same time progressively incorporating those of its suppliers.

In 2019, as in previous years, there were no fatalities. A request for an investigation into a declaration of occupational illness pertaining to the Holding company filed in 2018 is ongoing.

1.9.3.5. Training

Training policy

Albioma's training expenditure is broadly decentralised. In the course of labour management dialogue within each Group company, the strategic choices pertaining to professional training are discussed alongside the annual or multi-annual plan detailing the make-up of the training expenditure. The plan is drawn up within each company combining i) the professional development needs as expressed by employees and discussed with their line managers in their annual interviews and ii) the upskilling needs determined by the company.

Training expenditure may be covered by a collective bargaining agreement as was the case at the Le Moule facility in Guadeloupe (three-year agreement signed on 11 July 2018). It may also be focussed on a specific area of upskilling determined annually and discussed with the Social and Economic Committee. This is what happened at the Holding company, which chose "leadership and management basics" as the central plank of its 2019 plan, selecting "project management" as the theme of its training expenditure in 2020.

The Group is continuing its long-standing effort to invest the equivalent of 35 hours of training per annum for each employee. This target is tied to a specific commitment in its internal CSR roadmap, because Albioma sees the professional development of its employees as key to its strong performance.

Total training hours

Total training hours rose in 2019 (+49%). The average number of training hours per employee followed the same trend (+31%). As mentioned earlier, the Albioma Le Moule facility has seen an increase in the number of training hours following the merger with Albioma Caraïbes. As part of its QSE policy, the Albioma Le Gol plant put in place a training programme built around its operating activities, open to all departments, designed to create a common knowledge base across the workforce. The 2019 financial year also saw the teams prepare to take over the Albioma Esplanada Energia plant in Brazil. Finally, the expansion of the Solar power business translated into training for new hires as well as training courses in the construction trades.

In hours	2019	2018	2017
Total training hours	19,513	13,064	31,779
Average number of training hours per employee	34	26	66
of which, safety training	17	12	29

The average number of training hours on safety per employee rose sharply in 2019 (+38%), in tandem with the roll-out of the safety plan to all Albioma staff (as half-day and full-day trainings), as well as the extension of the mandatory training for the staff in question.

1.9.3.6. Equal opportunities

Upholding equal opportunities is one of the three commitments adopted by Albioma in its internal CSR roadmap. Two objectives were defined to guide implementation of this commitment: increase the share of female workers among new employees hired by the Group; and provide work integration for young job seekers and people with disabilities.

Measures to promote gender equality

31 women were hired out of a total of 93 new hires, raising the proportion of female recruits to 33% in 2019, slightly down on 2018 (+35%). In Brazil, including in the operating entities, women accounted for half of new hires, with eight women hired out of a total of 16 new hires during the financial year.

	2019	2018	2017
Women as a percentage of total workforce	17%	16%	16%
Women as a percentage of executives	21%	21%	20%
Women as a percentage of newly recruited employees	33%	35%	21%

The Group published its equal pay index for all French companies in line with the decree of 8 January 2019. It is 75 out of 100. The two criteria requiring ongoing improvement are the pay gap, particularly amongst managers and supervisors aged over 50, and the number of women in the top 10 earners in the company. The three other indicators in the index – the gap between individual increases for men and women, the gender promotion gap and the percentage of employees receiving an increase in the year following their return from maternity leave – are at 100%.

Measures to promote the employment and inclusion of people with disabilities

The energy transition is a real opportunity for Albioma to attract new talent. Against this background, the Group participated in the first responsible engineers symposium organised by the École Centrale Supélec that was held in France in 2019. This symposium provides an opportunity for industry and students to meet, no matter where they are on their ecological and solidarity transition journey. Mindful of ensuring a balanced approach across the geographic regions in which the Group operates, Albioma also participated, in Brazil, in the Career Fair for students and alumni of the École Centrale Group who did an exchange at one of their Brazilian partner universities. Somewhat differently, the Albioma Bois-Rouge plant hosted a film crew made up of communications students for a half day to film reports that are later sent out on social media. This project was part of an initiative by the Labour Ministry to promote learning.

Helping out-of-work young people is also a priority for the Group. In this regard, Albioma Solaire Réunion agreed a partnership in 2019 with the Association pour la Formation Professionnelle des Adultes de la Réunion (AFPAR) to offer job-seekers training on solar panel installation. This initiative helps better address the need to have a qualified labour force on Reunion Island to help grow the Solar Power business.

As the proportion of employees with disabilities is an indicator specific to French employment law, it has been calculated for the France scope (excluding Brazil). For the past four years, the Group has had three employees with disabilities, all based in France, with a French workforce that is steadily growing. Total purchases from firms operating in the sheltered sector in 2019 was 18% up on 2018.

	2019	2018	2017
Percentage of employees with disabilities[1]	1.1 %	1.1 %	1.2 %

1. *Beneficiaries of the 'BOE' obligation to employ people with disabilities (France scope).*

All these measures, done in broad collaboration with the teams, are part of the internal CSR roadmap. As mentioned above, the percentage of trainees and people in volunteering and work-study programmes was 6.4% in 2019, thereby exceeding the Group target of 5%.

Anti-discrimination policy

Albioma has made combating all forms of discrimination a top priority. Albioma considers promoting multiculturalism and diversity in our human resources to be a positive factor for the Group's efficiency, creativity, reputation and attractiveness to talented workers. These commitments are reaffirmed in the Group's Ethics Charter.

1.9.3.7. Promotion of and compliance with the Fundamental Conventions of the International Labour Organization

Upholding freedom of association and the right to collective bargaining

As explained in Section 1.9.3.3 on page 53 of this Universal Registration Document, the Group is organised such that the freedom of association and the right to collective bargaining are protected.

Elimination of discrimination in respect of employment

In line with its Ethics Charter, Albioma notably undertakes to:

- utterly reject any form of discrimination at the time of recruitment and ensure that all employees have the same promotion opportunities, irrespective of their gender, age, ethnicity, nationality, culture or social background, or their political, sexual, philosophical or religious opinions, preferences or beliefs;
- promote gender equality;
- ensure, when hiring or promoting, that no kind of job is reserved or prohibited on the grounds of origin, gender, age, beliefs, sexual orientation or any disability of the applicant or employee as well as with regard to its partners, clients or suppliers;
- ensure that the employee representative bodies serve as a forum for discussion of any issues concerning the elimination of all forms of discrimination.

Elimination of compulsory or forced labour

Albioma has undertaken to comply with and respect the Fundamental Conventions of the International Labour Organization, including the elimination of compulsory or forced labour.

Effective abolition of child labour

Albioma moreover condemns any violation of human dignity including child labour and slavery, as set out in the Group's Ethics Charter.

1.9.4. ENVIRONMENTAL INFORMATION

Albioma pays particular attention to environmental protection, and minimising the Group's impacts is a high priority.

Environmental protection efforts focus on the Thermal Biomass business, which accounted for 87% of the Group's total installed capacity in 2019.

Photovoltaic power generation does not generate any atmospheric emissions or discharges into water. Consequently, the Solar Power business is monitored primarily with regard to is impact on land use and biodiversity conservation, as well as the fate of end-of-life equipment.

In France, the thermal power plants are subject to regulations on environmentally-classified facilities (ICPE). More generally, Albioma's environmental initiatives are based on understanding and analysing the Group's environmental impacts, ensuring regulatory compliance and operating a continuous improvement process in the area of emissions reductions and resource management.

1.9.4.1. General environmental policy

Albioma's environmental policy is an integral part of the Group's internal CSR roadmap. It is organised around three commitments, each expressed as a series of objectives.

1. Support the energy transition

- Decrease our carbon footprint
- Continue reducing our gaseous emissions
- Harness the digital transformation to enhance our industrial performance

2. Use resources sustainably

- Use energy resources more efficiently
- Decrease, recycle and recover our waste
- Optimise our use of water resources

3. Protect biodiversity

- Promote sustainable use of agricultural and forestry resources for fuel
- Help to protect wildlife and minimise our impacts at our plants and in surrounding areas.

Organisational response to environmental issues and environmental certification processes

At corporate level, environmental matters are the responsibility of the Corporate Social Responsibility and Environment department, which steers, leads and coordinates all such initiatives. This department oversees collection of environmental data and consolidates it at Group level. The Corporate Social Responsibility Committee, which reports to the Board of Directors, is consulted on all strategic matters relating to implementation of the Group's environmental policy, ahead of deliberations by the Board of Directors on such matters (see notes in section 2.3.3.1 on pages 104 of this Universal Registration Document.

Group subsidiaries have responsibility for addressing environmental issues in the field. Each subsidiary is in charge of identifying and reducing its own environmental impacts, and of deploying Group policy at local level. The principal operational subsidiaries have appointed a Quality/Safety/Environment (QSE) manager. This function is supported by two Environmental and Industrial Risks Engineers, respectively serving the West Indies-French Guiana and Reunion Island regions. These engineers ensure that plants comply with environmental protection requirements.

To ensure effective management of environmental issues, the Group has developed an active certification policy for its facilities. Environmental management is approached through an integrated general Quality/Safety/Environment management policy, in accordance with the ISO 14001 certification process. Each certified facility has designated managers responsible for monitoring environmental impact reduction plans.

The whole Solar Power business in France, as well as the Albioma Bois-Rouge and Albioma Le Gol thermal power plants on Reunion Island, are covered by ISO 14001, ISO 9001 and ILO-OSH 2001 triple certification. In 2019, 49% of the Group's production was covered by triple certification.

Environmental protection-related employee training and information initiatives

Albioma makes its environmental preservation requirements clear to all employees.

Furthermore, all employees at certified facilities are trained in environmental issues, enabling them to identify and manage the main environmental risks encountered in the course of their work. Raising awareness of environmental issues is another feature of everyday life at the Group's facilities, not least as a result of systematic efforts by Quality/Safety/Environment managers.

The Sustainable Development report, published annually, also helps to spread information within the Group. In 2019, the Corporate Social Responsibility and Environment department used the introduction of thematic workshops by the Communication department as a springboard for raising awareness among employees regarding issues such as Albioma's environmental responsibility and the Group's duty of care towards staff and the community. A brainstorming workshop was also organised in 2019, during which all employees of the holding company took part in an exercise to understand the causes and effects of climate change, using the "Climate Collage" teaching aid.

Resources allocated to environmental risk prevention and anti-pollution measures

In order to comply with regulatory requirements and uphold the Group's environmental priorities, the various production facilities allocate a portion of their resources to preventing environmental risks and reducing pollution and related environmental impacts.

The amount allocated to pollution and environmental risk prevention increased in 2019. This largely reflects the ongoing investment, initiated in 2017, in improvement works to bring the Group's thermal power plants into compliance with the atmospheric emissions limits set in the Industrial Emissions Directive (2010/75/EU), by the deadline of 1 January 2020 for facilities located in non-interconnected regions.

In thousands of euros	**2019**	**2018**	**2017**
Expenditure on pollution and environmental risk prevention	113,301	42,334	48,886

Provisions and guarantees relating to environmental risks

As in previous years, the Group was not concerned by any environmental disputes in 2019.

Albioma is required to provide financial guarantees under the terms of the regulations applicable to environmentally-classified facilities (Installations Classées pour la Protection de l'Environnement - ICPE) and in accordance with the Order of 31 May 2012, which stipulates the list of classified facilities required to provide financial guarantees in application of Point (5°) of Section R. 516-1 of the French Environmental Code. The total cost of safely decommissioning Group facilities is currently assessed to be €1,245,742. As of 31 December 2019, the Group had provided financial guarantees representing 80% of the estimated cost, with 10% of the outstanding amount to be paid in each year for the next two years.

1.9.4.2. Pollution

Measures to prevent and mitigate air, water and ground pollution

Albioma makes ongoing investments to improve its production facilities and strives to reduce emissions into the atmosphere, water and the ground. The Industry department is responsible for carrying out and monitoring work at thermal power plants.

The Group has committed to a major investment programme to combat atmospheric emissions with the aim of ensuring that its thermal power plants comply with the atmospheric emissions limits stipulated in the IED directive. The upgrade works initiated in 2016 continued in 2019, primarily at the Albioma Bois-Rouge and Albioma Le Moule plants, which underwent two relatively long shutdowns for this project. The main purpose of the flue gas treatment systems being installed at these plants is to cut emissions of sulphur oxides, nitrous oxides and particulate matter.

Atmospheric emissions

In tonnes	2019	2018	2017
Sulphur dioxide (SOx) emissions[1]	3,005	5,169	5,446
Nitrous oxide (NOx) emissions	3,556	4,995	5,369
Carbon monoxide (CO) emissions[1]	628	1 049	1,298
Particulate emissions	448	584	677

1. Scope: France.

In addition to the aforementioned two extended shutdowns, which were partially responsible for the decrease in atmospheric pollutants, the commissioning of the new flue gas treatment systems also helped to cut emissions. Improvement works and maintenance operations involving the scrubbers at Albioma's first two Brazilian plants, Albioma Codora Energia and Albioma Rio Pardo Termoelétrica, also contributed to this change. As a result, emissions of sulphur oxide (-42%), nitrous oxide (-29%) and particulate matter (-23%) were lower than in 2018. Carbon monoxide emissions also decreased year-on-year (-40%) as a result of efforts to optimise boiler operation and combustion performance.

Consideration for noise pollution

The prefectural orders applicable to the Group's thermal plants 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.

The impact study conducted by Albioma for its projects under development identified the risks of noise-related nuisances at its worksites, enabling the Group to plan appropriate corrective measures.

1.9.4.3. Circular economy

Waste prevention and management

Waste prevention, recycling and reuse, alternative recovery solutions and disposal

Albioma works closely with its agribusiness partners, recovering co-products from their activities and supplying them with energy in return. Albioma's Thermal Biomass business model is based on a process for recovering energy from bagasse, a sugar cane by-product. The Group's internal CSR roadmap includes a goal of increasing the recovered share of combustion by-products in the Thermal Biomass business.

This waste-to-energy and waste reuse effort also applies to the Solar Power business. In addition to complying with its obligation to recycle its own used panels, the Solar Power business has agreed to allow private citizens and landowners to dispose of their used panels at its storage depots. This commitment was reflected in a partnership agreed in 2018 with PV Cycle, a French environmental organisation responsible for collecting panels and routing them to a recycling centre. A little over 3 tonnes of used solar panels were recovered in 2019.

The circular economy is central to Albioma's business model, with the Group's activities actively contributing to a virtuous waste recovery cycle.

Combustion by-products

Biomass and coal combustion by-products, in the form of ash and slag, account for most of the solid waste released by the Group's activities. Accordingly, particular focus is given to these substances, with the twin aims of limiting their environmental impact and developing waste recovery solutions.

En tonnes	2019	2018	2017
Ash	236,115	196,131	225,198
of which, biomass ash	126,043	88,934	114,039
of which, coal ash	110,073	107,198	111,160
Coal slag	42,897	40,214	40,811
Gypsum	3,884	3,430	3,244

In France, most of the ash produced by burning bagasse is recovered by spreading it on farmland. This practice improves the physicochemical properties of the soil and provides essential elements to spur crop growth. The agronomic benefit of bagasse ash is officially recognised: in 2015, the French national food health, safety, environment and work agency (Agence Nationale de Sécurité Sanitaire de l'Alimentation, de l'Environnement et du Travail - ANSES) granted a license authorising Albioma to market bagasse ash from its French power plants. In Brazil, all biomass ash is also recovered by spreading it on agricultural land. In 2019, the volume of biomass ash rose (+42%) as a result of increased bagasse consumption in France compared with 2018, due partly to a better sugar harvest than the previous year, and partly to the expansion of the Brazilian scope to three plants.

For several years, the Group has also been studying the options for recovering ash and slag generated by burning coal. In particular, Albioma is working with research organisations to assess the scope for recovering coal combustion by-products for use as raw materials in the construction and roads industries. Although encouraging results have been obtained with regard to coal, in 2019 the ongoing partnerships shifted their focus to biomass combustion by-products, using those already produced at the Galion 2 plant, which serves as a pilot unit for the planned conversion to biomass of the plants in Overseas France. The results of the first laboratory feasibility tests are expected in early 2020.

The special wet-process sulphur scrubbing system installed at the Albioma Le Gol and Albioma Le Moule plants generates gypsum, as the product of a reaction between dissolved lime and sulphur oxides. One means of recovering this gypsum is to use it in the cement production process. Albioma Le Gol has been working hand in hand with a cement manufacturer since 2007; as a result of this partnership, all gypsum produced by the plant in 2019 was successfully recovered. In early 2018, tests relating to the recovery of this by-product also began with an industrial partner at the Albioma Le Moule plant.

The proportion of by-products ultimately recovered was 42% 2019 (compared with 36% in 2018).

Industrial waste

Albioma ensures that its other industrial waste is managed by properly certified partners, and recycled whenever possible.

In tonnes	2019	2018[1]	2017
Non-hazardous industrial waste	2,674	1,764	5,483
Hazardous industrial waste	292	581	317

1. The figures for 2018 stated in the 2016 Registration Document have been adjusted.

The total quantity of non-hazardous industrial waste increased (+52%) between 2018 and 2019, whereas the quantity of hazardous industrial waste fell (-50%) year-on-year.

The sporadic volumes of sludge from tank clearing and sewage works remained stable in 2019, accounting for 43% of all discharged non-hazardous industrial waste (compared with 73% in 2018).

Food waste prevention initiatives

In view of the nature of Albioma's activities and the Group's business model (see notes in section 1.3.1 on pages 8 *et seq.* of this Universal Registration Document), information relating to food waste prevention initiatives was not considered relevant for the purpose of this Universal Registration Document.

Sustainable use of resources

Water consumption

Albioma is aware of the challenges associated with water usage, and strives to adapt its water management on a case-by-case basis in the various areas in which it operates. 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 dry cooling towers that operate with ambient air rather than a water supply to condense steam used for power generation.

In 2019, reducing water extraction from the natural environment featured among the priorities of the internal CSR roadmap for the most water-intensive of the Group's plants. These efforts bore fruit at the Albioma Bois-Rouge plant on Reunion Island, which achieved a 10% decrease in water consumption by recycling water at its waste water treatment plant, thereby increasing the percentage of water recycled. Nevertheless, the results of these efforts are not immediately apparent from the change in total water consumption (+5%) between 2018 and 2019, being masked by the expansion of the Group's scope and an increase in power generation. Their impact is easier to see in the "water intensity of energy produced" performance indicator, which fell (-25%) year-on-year.

Recycled water as a share of total extracted raw water increased slightly between 2018 and 2019. Recirculating water exiting the waste water treatment plant was one of the levers for this improved performance, as already explained in relation to the Albioma Bois-Rouge plant. This achievement went hand-in-hand with a decrease in aqueous discharge intensity, to 0.42 m^3/MWh in 2019 (from 0.69 m^3/MWh in 2018) across the France scope.

	2019	2018	2017
Raw water extraction (thousands of cu. m)	8,267	7,866	7,972
Water intensity of power generation activity (cu. m/MWh)	1.58	2.10	1.91
Recycled water as a share of total raw water extraction	11.3%	9.9%	9.7%

Fuel consumption and fuel efficiency measures

In 2019, the quantity of recovered biomass increased (+69%), due primarily to the inclusion of the Albioma Esplanada Energia plant, but also to a good sugar harvest in France and Brazil, resulting in a 19% increase in bagasse at constant scope.

Whereas coal consumption was largely stable compared to 2018 (-2%), heating oil consumption continued to decline (-27%). The decrease is attributable to more limited use of the combustion turbine at the Albioma Galion plant in Martinique, following the commissioning of the Galion 2 bagasse/biomass thermal power plant, in keeping with the Group's strategy aimed at reducing fossil fuel use.

The Galion 2 plant was also responsible for the substantial increase in consumption of various types of non-bagasse biomass (+123%). These biomass categories cover multiple sources of waste products, including sugar cane straw, sawdust, wood chips, wood pellets and rice husks.

Bioethanol, which can be produced from distillery molasses, adds a new fuel to the range of compatible raw materials. In a world first, bioethanol is being used at the recently commissioned Albioma Saint-Pierre turbine on Reunion Island.

In thousands of tonnes	2019	2018	2017
Total biomass consumption	2,475	1,461	1,673
of which, bagasse consumption	2,204	1,338	1,489
of which, consumption of other biomass	273	122	184
Bioethanol consumption	2,207	-	-
Coal consumption	798	815	848
Heating oil consumption	18	25	30

Energy consumption and energy efficiency measures

The power required by the Group's production facilities is generally produced onsite. Electricity is therefore only purchased from the grid during plant startup phases. Onsite consumption is measured by a manager at each site, and consumption data is monitored monthly by head office. Engineers with the Industry department are specifically assigned to monitor and improve plant performance. Energy performance is also monitored closely by the Corporate Social Responsibility and Environment department, with the aim of improving the Group's use of energy resources. In 2019, consumption of energy purchased from suppliers increased by 18%, due to the wider reporting scope.

At the thermal power plants, the performance indicator used to measure energy efficiency during sugar harvests is the electricity yield per tonne of cane crushed. This indicator increased (+6%) in 2019, largely due to the first full-year contribution by the Galion 2 plant commissioned in 2018.

In kWh produced per tonne of cane crushed	2019	2018	2017
Electricity yield per tonne of sugarcane	129	121	118

Land use

Land use is a focus of particular attention for Albioma's ground-array photovoltaic activities. During the design process for its photovoltaic power plants, the Group researches solutions to avoid encroaching onto farming land wherever possible, 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.

Soil protection is also a focus of attention by the Group's thermal power plants. For every new project, Albioma conducts an initial soil condition survey in accordance with the regulatory framework applicable to environmentally-classified facilities (ICPE). This soil survey includes an assessment of the environmental impacts of building on or surfacing land (in terms of soil erosion, pollution, runoff water, etc.).

Energy production by the Group's thermal power plants is also closely linked to the corresponding agricultural production cycles. By recovering bagasse and spreading the resulting by-products on agricultural land, this business contributes to a virtuous cycle that helps to enrich the soil.

1.9.4.4. Climate change

Greenhouse gas emissions

Cutting Albioma's greenhouse gas emissions is a direct goal of the energy transition strategy implemented by the Group for its French thermal power plants, as biomass is considered to have a zero emission factor in EU Commission Regulation 601/2012 of 21 June 2012, on monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of 13 October 2003.

	2019	2018	2017
Direct greenhouse gas emissions (thousands of tonnes CO_2 equivalent)	2,004	2,041	2,145
of which carbon dioxide (CO_2) emissions	1,971	2,010	2,116
of which nitrous oxide (N_2O) emissions	22	22	22
of which methane (CH_4) emissions	11	9	8
Greenhouse gas intensity of energy production (in equivalent grams CO_2/kWh)	384	545	513

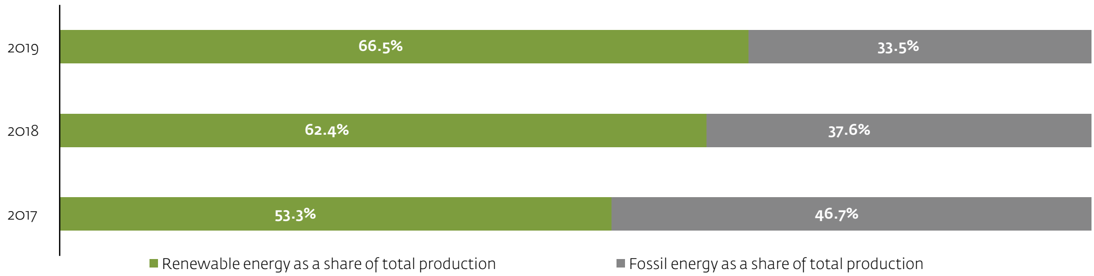
Although direct greenhouse gas emissions were only slightly lower (-2%) in 2019, the greenhouse gas intensity of the Group's energy production fell by nearly 30%. Several factors account for this performance: the inclusion of the third Brazilian plant, which operates exclusively with biomass and is responsible for almost 15% of gross output; a better sugar harvest in France; and to a lesser degree, an increase of nearly 22% in solar power generation, representing 1.2% of gross production.

In 2019, Albioma volunteered to work with an independent organisation to conduct a carbon assessment covering all of the Group's activities as well its value chain. This initiative is a logical step in the ongoing effort to cut direct and indirect greenhouse gas emissions, in keeping with the Group's CSR roadmap.

Fighting climate change and adapting to its consequences

The Albioma Group energy transition strategy features a target of deriving 80% of energy production from renewable sources by 2023, intrinsically supporting the fight against climate change. In 2019, renewable energy accounted for 67% of all energy produced by the Group, across the non-financial reporting scope. The increased share of the mix represented by renewables in 2019 is largely attributable to the very strong performance at the Galion 2 plant in Martinique, which was commissioned in September 2018 and operates using a bagasse/biomass model; other factors include better sugar harvests in France and Brazil, increased production by the solar fleet and lastly, the contribution of the partly bioethanol-fuelled Albioma Saint-Pierre combustion turbine with effect from February 2019. Converting the existing bagasse/coal plants in Overseas France is a longer process, but will in time also contribute to greening the mix.

Energy mix



Forecasts by the Intergovernmental Panel on Climate Change (IPCC) point to climate changes in the Caribbean and Indian Ocean regions[1]:

- changing rainfall patterns, resulting in greater fluctuations in precipitation levels between years, and in an increase in the mean quantity and intensity of precipitation;
- more frequent and more powerful storms and cyclones;
- higher average temperature;
- rising sea level.

These climate changes entail a number of environmental risks liable to directly affect the Group's activities, including the risk of flooding and landslides, exposure to extreme climate events, water stress risks and a risk of reduced availability of biomass resources.

Drawing on this information, Albioma assesses the exposure of its existing and planned facilities to such risks on a case-by-case basis, taking the climate change forecasts into account, and implements any necessary measures.

Furthermore, in accordance with the regulations applicable to new projects for environmentally-classified facilities (ICPE) since the environmental licensing process was reformed with effect from 1 March 2017, Albioma assesses each new project's vulnerability to risks arising from climate change, as well as the climate change risks created by the new project.

Responding to an invitation from the French environment and energy management agency (ADEME), Albioma took part in the 2019 Sommet Virtuel du Climat (Virtual Climate Summit), and more specifically the webconference entitled "ACT®: Assessing climate strategies in the context of the Paris Agreement objectives?". This presentation followed on from the Group's voluntary participation in the 2018 "Assessing low Carbon Transition" (ACT2.0) experimentation project run by ADEME and CDP, the carbon disclosure NGO.

Based on modelling projections for 2023, this experimental programme confirmed the compatibility of Albioma's low carbon transition strategy with the 2 °C trajectory defined at the COP21 conference in 2015.

1.9.4.5. Biodiversity protection

Measures to preserve or enhance biodiversity

In its internal CSR roadmap, Albioma identifies protecting biodiversity as one of the three core commitments of the Group's environmental policy.

One of the levers of action defined in the Group's energy transition strategy consists in substituting biomass for coal at its bagasse/coal thermal power plants and commissioning new plants fuelled exclusively with biomass. Although priority is given to using local biomass resources, the operational roll-out of this strategy requires some biomass to be imported in the form of wood pellets.

Conscious of the risks to biodiversity and ecosystem balance potentially created by non-sustainable forest management, Albioma proactively introduced contract provisions requiring all biomass suppliers to obtain forestry certification, thereby ensuring that forests are managed sustainably and appropriate biodiversity protection measures are implemented. Furthermore, the procedures adopted by Albioma in order to comply with the requirements of the European Union Timber Regulation (995/2010/EU) include assessing the risk of biomass suppliers delivering protected species[1]. Where applicable, risk mitigation procedures must be implemented.

For each new project, Albioma conducts biodiversity risk and impact studies. These studies may result in biodiversity offset measures or recommendations (e.g. adapting facilities or blending them into the landscape, creating natural habitats, etc.), which are systematically taken into account and

1. *Intergovernmental Panel on Climate Change, Climate Change 2014: Impacts, Adaptation, and Vulnerability, Part B: Regional Aspects –Working Group II Contribution to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change, 2014.*

implemented by the Group. For example, before commissioning the Albioma Saint-Pierre combustion turbine on Reunion Island, an ornithological study was carried out with support from a local specialist, Société d'Études Ornithologiques de La Réunion, to check that there were no breeding and nesting areas of three protected species of bird (the white-tailed tropicbird, Mascarene swiftlet and Mascarene martin). Preventive measures to mitigate risks to local populations of Barau's petrel – a species endemic to Reunion Island that is attracted by lights at night, but is unable to take off again if forced to land – have been deployed, consisting in installing suitably designed lighting systems.

Building on the dynamic in support of biodiversity, Albioma became an active member of the Foundation for Research on Biodiversity in 2018, via an action club devoted to Overseas France. The work of this action club culminated in the approval of a multi-partner science project, scheduled for kick-off in early 2020, that will seek to map pressures on biodiversity in Overseas France and produce an educational deliverable to raise awareness among local populations. One of the aims for Albioma is to be able to identify biodiversity conservation opportunities afforded by the Group's activities.

In 2019, Albioma supported Sarg'expo, an international conference organised by the Guadeloupe region in partnership with the Ministry for Overseas France, as part of a broader Caribbean programme to combat sargassum weed. The proliferation of sargassum weed poses a major problem for the Caribbean region, as it is directly responsible for eutrophication of the marine environment. In addition to seeking the root cause of this phenomenon, assumed to be anthropic, this programme is building bridges between the business and educational worlds.

Also in Guadeloupe, Albioma Le Moule became a sponsor of the beekeeping company O Miel in 2019, supporting the effort to preserve insect pollinators. This partnership is helping to reintroduce pollinators to local gardens, as well as supporting innovations in the area of environmental biomonitoring by bees. The aim is to detect bees' metabolic response to routine environmental stresses at a very early stage, by measuring biomarkers, before any outward signs are perceptible. The initial results of this research are expected in the course of 2020.

On Reunion Island, the insect pollinator conservation partnership initiated in 2018 with Crazy Bee continued in 2019. By supporting Crazy Bee, Albioma is helping to safeguard biodiversity on Reunion Island and supporting the fight against the varroa mite that has decimated bee populations. This sponsorship is also helping to make organic beekeeping sustainable on Reunion Island.

1.9.5. SOCIAL INFORMATION

In order to speed up the energy transition of the territories, Albioma is undertaking to maximise its positive impact through the social pillar of its internal CSR roadmap, which consists of two key commitments:

1. Expand our responsible purchasing practices
   - Ensure that our biomass procurement is traceable and sustainable
   - Enhance our inclusion of CSR considerations in purchasing procedures
2. Work more closely with local communities
   - Foster dialogue with third-party partners
   - Play a part in driving local socio-economic development
   - Conduct public interest initiatives that are consistent with our business

1.9.5.1. Territorial, economic and social impact of the Group's activities...

...in terms of employment and local development

Albioma is the partner of choice for the agribusiness sector. The Group's business model is based on long-term partnerships with local partners 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'. This mechanism passes on a proportion of revenues from bagasse recovery-based electricity production to sugar cane growers and refineries. Bioethanol manufactured locally for the Saint-Pierre combustion turbine is part of the same circular economy approach, further safeguarding the future of the distillery by reusing the molasses. The sugar cane sector provides 18,300 jobs on Reunion Island[1] and 10,000 jobs in Guadeloupe[2].

Wherever the Group operates, its subsidiaries:

- create jobs 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;

1. *Source: Reunion Island sugar industry association (Syndicat du Sucre de La Reunion) (August 2018).*
2. *Source: Prefecture of the Guadeloupe region (June 2015).*

- generate tax revenues for public authorities and income for shareholders and lenders.

Local purchasing, calculated based on orders for parts and services placed during the year, increased sharply from 2018 to 2019, back to a level comparable to 2017. This is due to the island nature of the various French Overseas territories, where it can sometimes be difficult to source specific expertise or advanced industrial equipment locally. Also, when there are major works on the plants, such as bringing into compliance of the French thermal power plants or the new Galion 2 plant in 2018, the orders placed tend to reinforce the trend towards foreign purchases.

	2019	2018	2017
Proportion of local purchases[1]	46%	24%	42%
Amount of taxes paid to local authorities (in thousands of euros)[2]	13,299	10,116	11,238

1. As a percentage of the total purchases of the Thermal Biomass business in France, excluding fuel, for the Thermal business. The 2018 and 2017 data has been adjusted.

2. Scope: France.

As the amount payable in respect of the "territorial economic contribution" (contribution économique territoriale - CET) exceeded 3% of the added value created, Albioma Group companies applied for concessions in the form of a tax cap. The Group has been granted concessions since 2014, reducing the amount of taxes paid to local authorities.

The most significant local economic impact relates to the Thermal Biomass business, in the form of the virtuous partnership established with sugar refineries. Adopting a circular economy approach, Albioma recovers co-products of the sugar cane processing 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).

	2019	2018	2017
Steam sent to sugar refineries (in thousands of tonnes)	3,388	1,813	2,220
Estimated savings for sugar refineries[1] (in thousands of euros)	30,495	16,317	19,978

1. Steam was sold at an estimated price of €9 per tonne (after deducting the cost of fuel supplied by sugar refineries).

In 2019, the Group's sugar producer partners obtained a higher amount of steam, directly proportional to the length of the sugar harvest in France and the integration of the Group's third Brazilian plant. In this respect, the proportion of steam piped to the Brazilian sugar producer partners accounted for 74% of the total steam piped in 2019.

...on local populations and residents

Albioma's power generation activity directly helps to provide an essential service to local populations. Albioma produces a substantial proportion of the electricity consumed on Reunion Island and in Guadeloupe (see additional information in Section 1.3.3.1 on pages 14 *et seq.* of this Universal Registration Document). Benefiting from the change in scope for this financial year, the net electricity production by thermal plants in Overseas France was up significantly (+23%) on 2018, despite the long-term shutdowns to bring the thermal installations into regulatory compliance.

	2019	2018	2017
Net electricity produced and sold[1] (in GWh)	2,741	2,237	2,404
thermal	2,629	2,145	2,290
photovoltaic	110	92	95
anaerobic digestion	-	-	19
Number of households whose electricity is supplied by Albioma[2]	851,217	699,143	751,195
Number of people whose electricity is supplied by Albioma[3]	1,872,678	1,538,114	1,652,628

1. Group's total net production sold, excluding Mauritius.

2. This value is calculated based on the average annual electricity consumption of French households, excluding heating and hot water (3,200 kWh, according to the French energy agency ADEME, 2015).

3. It is calculated based on the average number of individuals per household in France (2.2 according to the French statistics office, INSEE, 2016).

As a base-load electricity producer, Albioma supplies electricity continuously, which helps to stabilise the local electrical grid. This stability is particularly important for electrical grids in non-interconnected regions. Maintaining high availability at its thermal power plants is therefore crucial for the Group.

In 2019, the Group's French power plants reported an availability rate of 88.2%, slightly up on 2018. This availability is impacted by shutdowns for compliance work on the final tranches of the Bois-Rouge and Le Moule power plants. All the power plants ran smoothly despite several technical incidents that occurred at the Bois-Rouge and Le Gol plants. For their first year of operation, the new Galion 2 and Albioma Saint-Pierre plants achieved excellent performance with high availability rates of 91.8% and 92.0% respectively.

	2019	2018	2017
Thermal plant availability rate[1]	88%	88%	90%

1. Average availability rate of French thermal power plants weighted according to their net power output. The availability rate is the ratio between the maximum energy produced by the plant and the maximum demand for energy.

1.9.5.2. Relationships with partners

Dialogue with partners

In 2014, an assessment of possible interactions with partners was launched, overseen in particular by the Corporate Social Responsibility Committee. This initiative was rolled out to several facilities in operation, and consulting with local partners has been a systematic requirement for all new projects since 2015. In the past, dialogue with external partners was led by the Regional Departments, in close cooperation with the Corporate Social Responsibility and Environment Department. Preparing for the projects to convert the bagasse/coal plants in Overseas France implies expanding dialogue with external partners to different levels of the Group's organisation, to provide a comprehensively meshed interface. Work on this began in 2018, including in particular the project teams, and continued in 2019 through training sessions and group work, with the aim of improving dialogue over the medium-term.

In 2019 a new partnership was rolled out in this area with CGénial Foundation, which works to promote science in the education sphere. Six Albioma facilities opened their doors to teachers and administrators of second-level institutions. With an average satisfaction rating of 4.3/5, this effort made it possible to significantly improve the company's image amongst this target group and to double the number of people visiting Group facilities. In fact, these visits come on top of those already being done for the past number of years. Each year since 2014, the 12 MWp Kourou solar power plant in French Guiana hosts tours for technology institute undergraduates studying for vocational degrees in energy management, electricity and sustainable development, with the aim of giving them an insight into the technical disciplines associated with Albioma's Solar Power business. The Albioma Le Gol and Albioma Le Moule thermal power plants also hold annual open day events, hosting school trips and student tours, to share the Group’s industrial culture and demonstrate its openness to the younger generations.

In June 2019, Albioma Galion was honoured to invite over 150 people to the facility, including staff members and their families along with politicians and economic partners, to mark its inauguration.

Partnerships and sponsorships

Partnership with the national forestry office (Office National des Forêts - ONF) in Martinique

In Martinique, ONF is tasked with sustainable, multi-role management of more than 16,000 hectares of publicly-owned forest. In addition to its missions in areas such as surveillance (to ensure that the managed land remains undamaged), physical protection against natural hazards, conservation of biodiversity and natural habitats, production of wood-based and other resources and consideration for the social functions of forested areas (including public recreation and landscape aspects, in particular), the Office National des Forêts performs public-interest missions for the State or local authorities and provides contractual services for public and private sector customers.

Anticipating the need to secure local biomass supplies, free from conflicts of use, for the Galion 2 power plant, in 2015 the Group began consulting with the Office National des Forêts with a view to developing the biomass production industry supplied by public and privately-owned Martinican forests. This initiative yielded a framework agreement relating to a programme of joint actions to develop a wood-for-energy industry in Martinique. In particular, this agreement provides for studies relating to the certification and mobilisation of wood resources from private forests, establishing a technical and regulatory framework for the wood-for-energy industry and engaging with partners to promote its emergence.

Sponsorship and corporate philanthropy

Albioma subsidiaries organise local sponsorship and corporate philanthropy actions every year. A company policy on this subject was established in late 2017, setting out four priority focus areas: energy savings; education and promoting trades; plant and wildlife conservation; and culture and traditions. In 2019, these contributions more than doubled compared with 2018 and 2017 thereby reflecting the importance of the development of the regions through local initiatives supported by Albioma.

In thousands of euros	2019	2018	2017
Level of financial contributions provided to partners	108.7	35.4	36.6

This sum does not include membership of national or European industry bodies, including Syndicat des Énergies Renouvelables, CO_2 Value Europe and Bioenergy Europe, making it possible to closely track the progress made in their respective field and to benefit from best practices.

Various local bodies have been supported by Albioma for a number of years, including OREC (Observatoire Régional de l'Énergie et du Climat) in Guadeloupe which in particular analyses the vulnerability of the island territory to risks pertaining to climate change.

Further support was announced in 2019, including for the "Quatre matelots plein d'énergie" initiative for which students of the Télécom SudParis and ENSTA ParisTech graduate schools were able to bring to bear two overseas programmes to raise awareness of people in geographically isolated areas to renewable energy. In Senegal, students electrified a health centre, training the technicians in how to maintain their energy installations. They also contributed to energy access in Haiti. They documented this in parallel through short documentaries.

The promotion of renewable energy is a key plank of the sponsorship and corporate philanthropy policy and can be seen in the installation of public solar lighting in a village in Antananarivo in Madagascar, close to Reunion Island. Albioma is thus facilitating energy access for local populations through a partnership with the "Les amis du Père Pedro" humanitarian association on Reunion Island. This installation was also done by one of Albioma's subcontractors on Reunion Island.

1.9.5.3. Subcontracting and suppliers

Inclusion of social and environmental considerations in the purchasing policy

Expanding responsible purchasing practices is one of the two social commitments adopted by Albioma in its internal CSR roadmap.

The Group's standard purchasing terms and conditions have included a corporate social responsibility clause since 2014. This document, stating Albioma's requirements and commitments, is issued to all Group suppliers.

Purchases of imported fossil fuels are sourced from recognised, quality suppliers that in turn order from producers that uphold good CSR practices.

Albioma has also included biomass certification requirements in its imported biomass procurement contracts. These requirements were defined following an internal assessment of the level of assurance provided by the various forestry certification systems, and were approved by the Corporate Social Responsibility Committee. By this means, the Group upholds environmental, employment-related and social criteria at each stage in its biomass supply chain. Lastly, the certified thermal plants conduct annual assessments of their strategic suppliers, which include health, safety and environmental criteria.

Importance of subcontracting and consideration of subcontractors' and suppliers' corporate social responsibility

Importance of subcontracting

Albioma works with subcontractors when the necessary expertise is not available in-house, and during busy periods due to maintenance shutdowns. The Group uses local subcontractors whenever possible, and supports upskilling initiatives as necessary. In 2019, the amount of subcontracting rose 32%, the proportion of this subcontracting in operating expenses remaining unchanged.

	2019	2018	2017
Subcontracting costs (in thousands of euros)[1]	45,709	34,617	39,045
Subcontracting costs as a percentage of operating costs[1]	12%	11%	14%

1. Scope: France.

The Solar Power business, which is growing rapidly on Reunion Island, requires locally available expertise in logistics and panel installation. The future conversion of our facilities to biomass will continue to feed into this trend, prompting in particular the development of new local biomass collection and preparation channels.

Albioma's stake in the economic vitality of Reunion Island was also reflected in the participation of the Chairman and Chief Executive Officer of Albioma in the "Choose La Réunion" summit held last October, which was attended by the French President. The summit was intended to reaffirm the island's place at the heart of the Indo-Pacific region, and was attended by elected representatives, business leaders and investors from Asia and Africa.

Consideration of subcontractors in the Group's health and safety policy

As for the Group's own employees, Albioma is attentive to the health and safety of subcontractors working at its plants and work sites. Accidents by subcontractors are thus tracked by the Safety Department and are subject to a risk assessment. Encouraging and supporting subcontractors' efforts to comply with our safety requirements is one of the six commitments in the Safety Master Plan (see additional information in Section 1.9.3.4 on pages 53 *et seq.* of this Universal Registration Document).

1.9.5.4. Fair practice

Anti-corruption efforts

Albioma's business practices are designed to prevent corruption-related risks. In 2019, as in previous years, the Group did not encounter any corruption-related incidents.

In 2016, a fraud risk audit was conducted by an independent analyst, with the aim of assessing the Group's exposure to such risks. With effect from 2017, all internal audits now systematically include a section relating to fraud, both in France and in Brazil. Anticipating the entry into effect of the "Sapin II" Act no. 2016-1691 of 9 December 2016 on combating corruption and influence-peddling more broadly, in 2018 Albioma began a review of the necessary processes to prevent these risks. In 2019, Albioma published its Ethics Charter, which imposes a general ban on unethical business practices within the Group. The intention is also that this charter will be promoted to all the Group's independent contractors. Its implementation triggered the creation of a cross-functional Ethics and Compliance role, coordinated by an Officer. This role is currently held by the Group's Company Secretary. The practical details will be covered by an operational manual specifically looking at combating corruption and influence peddling. Finally, the implementation of the Group's Ethics Charter goes hand-in-hand, in accordance with the provisions of the Sapin II Act, with the implementation of a whistleblower platform designed to protect the confidentiality of any reports. This platform has been outsourced and should be operational in early 2020.

Measures to protect health and safety of local residents

The licence application procedures for environmentally-classified facilities, such as the Group's thermal power plants, include "health risk" aspects. Albioma complies fully with regulatory measures on health risk prevention and management, and in particular the memorandum of 9 August 2013 on classified facilities listed in Annex I of the European Industrial Emissions Directive (IED).

1.9.5.5. Other actions to uphold human rights

Albioma complies with the Fundamental Conventions of the International Labour Organization (see additional information in Section 1.9.3.7 on page 56 of this Universal Registration Document), particularly those relating to human rights.

1.9.6. LIMITED ASSURANCE REPORT BY ONE OF THE STATUTORY AUDITORS REGARDING A SELECTION OF LABOUR, ENVIRONMENTAL AND SOCIAL DATA PUBLISHED IN THE MANAGEMENT REPORT

Mazars SAS
61 rue Henri Régnault
92075 La Défense Cedex

To the Chairman of the Board of Directors of Albioma

As requested, in our capacity as Statutory Auditors of Albioma, we hereby present our report on a selection of consolidated employment, environmental and social information (Annexe 1) for the financial year ended 31 December 2019, presented in the management report (hereinafter, the "CSR information").

This CSR Information was prepared under the responsibility of the Albioma CSR Department in accordance with the guidelines used by the Company (hereinafter, the "Guidelines"), available on request from the Group's registered 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.822-11-3 of the French Commercial Code. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with the applicable statutory and regulatory texts, codes of ethics and professional guidance.

RESPONSIBILITY OF THE STATUTORY AUDITORS

It is our responsibility, on the basis of our work, to express limited assurance that the CSR Information is, in all material respects, fairly presented in accordance with the Guidelines (Reasoned opinion on the fairness of the CSR Information).

The following conclusions relate to the selected CSR Information, not the totality of the CSR information contained in the management report. We are not required either to comment on the Company's compliance with other applicable laws and regulations, in particular in terms of the monitoring and combating of corruption and tax evasion or the regulatory compliance of products and services.

We were assisted in this work by our specialists in corporate social responsibility.

REASONED OPINION ON THE FAIRNESS OF THE CSR INFORMATION

Nature and scope of our work

We performed the work detailed below in accordance with the professional guidance of the national auditing body (Compagnie Nationale des Commissaires aux Comptes) relating to this type of assignment and with the ISAE 3000 international standard.

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.

We ensured that the CSR Information covers the scope of consolidation, i.e., the Company, its subsidiaries as defined by Article L.233-1 of the French Commercial Code 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 note in Section 1.9 of the Universal Registration Document (including the management report).

We conducted around ten interviews with individuals responsible for preparing the CSR Information in the departments charged with collecting the information and, where appropriate, individuals responsible for 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.

With regard to the CSR information selected by Albioma (Annexe 1):

- 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[1] selected by us according to their 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 sample thus selected represents 28% of employees considered as a characteristic quantity for employment reporting, and between 23% and 67% of the environmental data.

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 inherent to the operation of any information and internal control system, we cannot completely rule out the possibility that a material irregularity may have gone undetected.

CONCLUSION

Based on our work, nothing has come to our attention that causes us to believe that the CSR Information is not presented fairly, in all material respects, in accordance with the Guidelines.

Neuilly-sur-Seine, 29 April 2020.

One of the Statutory Auditors,

Mazars SAS

Daniel Escudeiro
Partner

Edwige Rey
CSR & Sustainable Development partner

1. Albioma Le Moule, Albioma Solaire Océan Indien, Albioma Codora Energia.

ANNEXE 1

Topics	Audited information
EMPLOYMENT INFORMATION	
Employment	■ Total workforce and breakdown by gender ■ Breakdown of recruitment by type of contract ■ Percentage of interns, trainees and apprentices ■ Number of departures ■ Annual changes in gross average monthly salaries (centrally)
Organisation of work	■ Number of hours worked ■ Number of hours of overtime ■ Absenteeism rate
Labour-management relations	■ Review of collective bargaining agreements ■ Labour-management dialogue policy
Health and safety	■ Accident frequency rate ■ Accident severity rate
Training	■ Number of hours of training ■ Number of hours of safety-related training
ENVIRONMENTAL INFORMATION	
General environmental policy	■ General environmental policy (centrally)
Pollution and waste	■ SOx, NOx and particulate emissions ■ Volumes of combustion by-products generated
Sustainable use of resources	■ Consumption of energy raw materials (coal, biomass, oil) ■ Electricity yield per tonne of sugar cane ■ Renewable energy as a percentage of total power output ■ Water intensity of produced energy
Climate change	■ Carbon intensity of electricity and steam production (product mix)
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2.1. General remarks

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

Pursuant to the decisions of the meeting of the Board of Directors 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 January 2020. The Company also applies the principles defined in the AFEP-MEDEF Code’s implementation guidelines, published by the High Committee on Corporate Governance and most recently updated in March 2020.

The Company attaches paramount importance to the quality of the Group’s governance and ensures application of the best practices defined by the AFEP-MEDEF Code, which is available online at: www.afep.com.

In accordance with the recommendations of the AMF and Article L. 225-37-4 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 in Section 2.6 on page 134 of this Universal Registration Document, setting out the reasons for this choice.

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

The information that follows, together with the information in Section 8.6.5 on page 315 of this Universal Registration Document, constitutes the special report of the Board of Directors on corporate governance referred to in Article L. 225-37 of the French Commercial Code.

2.2. Organisation of General Management and status of the Chief Executive Officer

2.2.1. ORGANISATION OF GENERAL MANAGEMENT

At its meeting of 1 March 2016, the Board of Directors decided, as proposed by the Chairman and Chief Executive Officer, to separate the roles of Chairman of the Board of Directors and of Chief Executive Officer with effect from 1 June 2016. Frédéric Moyne, until then Chief Operating Officer Brazil, was thus appointed Chief Executive Officer, with Jacques Pétry continuing to serve as Chairman of the Board of Directors.

This decision was a result of the implementation of the succession plan reviewed annually by the Board of Directors on the basis of the work carried out by the Nomination and Remuneration Committee (since renamed the Nomination, Remuneration and Governance Committee). It reflected the shared desire of the Board of Directors and Jacques Pétry to ensure that the succession of the Chief Executive Officer is organised in as efficient a manner as possible, in the interests of both the Company and its shareholders.

In the context of this period of transition, the Board of Directors took the view that it was important that Jacques Pétry could contribute effectively to the organisation of this succession, not only by helping his successor assume his new role but also by remaining involved at the highest level and over the long-term in the implementation of the strategic orientations defined by the Board of Directors. The Group therefore decided that, to ensure it is able to continue to implement its strategy, it would structure its senior management in such a way as to separate the roles of Chairman of the Board of Directors and of Chief Executive Officer.

Frédéric Moyne was appointed Chief Executive Officer with effect from 1 June 2016, for a term of four years expiring at the close of the General Meeting called in 2020 to approve the 2019 financial statements. Jacques Pétry was appointed for the same four-year term, beginning on 1 June 2016 and expiring at the close of the General Meeting called in 2020 to approve the 2019 financial statements, to carry out the separate role of Chairman of the Board of Directors.

The effectiveness of this new structure was ensured by close collaboration between the Chief Executive Officer and the Chairman of the Board of Directors based on the following principles:

- the Chief Executive Officer was required to provide the Chairman of the Board of Directors with regularly updated information on the Group’s affairs, the implementation of its strategy and the main investment projects;
- the Chairman of the Board of Directors was entitled to obtain from the Chief Executive Officer, whenever he felt it necessary, any information likely to inform the work of the Board of Directors and its Committees;
- the Chief Executive Officer was free to seek the opinion of the Chairman of the Board of Directors on any topic, including in particular strategy, communication and governance;
- the Chief Executive Officer was required to systematically consult the Chairman of the Board of Directors with regard to the definition of strategic business policies before they are put to the Board of Directors for approval.

At its meeting of 30 March 2018, the Board of Directors examined a number of proposals by the Chairman of the Board of Directors that aim to modify the Company's governance in the medium term. The Board of Directors accordingly:

- observed that the handover of responsibilities of Chief Executive Officer to Frédéric Moyne was proceeding in optimal conditions and that, all other things being equal, the handover could be considered completed at the close of the General Meeting called in 2019 to approve the 2018 financial statements;
- observed that the separation of the roles of Chairman of the Board of Directors and of Chief Executive Officer had clearly facilitated this handover, but that such a separation would cease to be justified after its completion, in particular given the size of the Company. The Board therefore agreeing that, following the General Meeting called to approve 2018 financial statements, the combining of the roles of Chairman of the Board of Directors and of Chief Executive Officer would be the most appropriate corporate governance method in view of the Company's strategic context;
- agreed that, all other things being equal, if the roles of Chairman of the Board of Directors and of Chief Executive Officer are indeed combined following the General Meeting called to approve the 2018 financial statements, Frédéric Moyne will be appointed Chairman of the Board of Directors. To that effect, the Board of Directors took note that the current Chairman of the Board of Directors has stated that, when requested by the Board, he will tender his resignation as Chairman of the Board of Directors and as Board member from that date.

The meeting of the Board of Directors held on 27 May 2019 following the General Meeting that same day, reaffirmed these decisions and accordingly:

- recorded the resignation of Jacques Pétry as Chairman of the Board of Directors and as Company Director, with immediate effect;
- recorded that the handover period following the transfer of the role of Chief Executive Officer to Frédéric Moyne should be considered completed and that in this respect the combining of the roles of Chairman of the Board of Directors and of Chief Executive Officer was the corporate governance model best suited to the Company's strategic challenges;
- decided to combine the roles of Chairman of the Board of Directors and of Chief Executive Officer and to appoint Frédéric Moyne as Chairman of the Board of Directors, for the period of his term of office as Director (i.e. until completion of the General Meeting called in 2021 to approve the 2020 financial statements), and recorded that this decision went hand-in-hand with the implementation, as from 28 May 2019, of the decisions adopted by the Board of Directors at its 7 March 2019 meeting on the remuneration of Frédéric Moyne for the 2019 and subsequent financial years.

2.2.2. STATUS OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer is appointed by the Board of Directors for a term of office set by the Board.

Pursuant to the Memorandum and Articles of Association, the Chief Executive Officer must be under 70 years of age. 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 appointed.

The Chief Executive Officer undertakes to devote all his time and efforts to his office with any other activity, excluding non-professional activities and executive or non-executive corporate offices held in another Group company, requiring prior authorisation by the Board of Directors, and in particular any corporate office in a non-Group company.

The Chief Executive Officer is bound by the same obligations as the Directors with regard to stock-market ethics (see additional information in Section 2.3.1.2 on page 80 of this Universal Registration Document).

He is also bound by the same obligations as the Directors with regard to integrity. Accordingly, at the time of his appointment as Chief Executive Officer and most recently during the review of the position of corporate officers for the 2019 financial year (meeting of the Board of Directors of 27 April 2020), Frédéric Moyne made the same declarations as each of the Directors and in this respect formally confirmed that he:

- is not linked to any member 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 designated 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.

2.2.3. POWERS OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer shall be vested with the broadest powers to act in the Company's name in all circumstances. He shall exercise these powers within the limits of the Company's objects and subject to any powers expressly reserved by law for the General Meeting 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 reserved by law for the General Meeting 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 Chief Executive Officer was, during the 2019 financial year, authorised to furnish sureties, pledges and guarantees under the following conditions:
  - to any tax and customs authorities, for an unlimited amount;
  - for the purchase of biomass fuels by any of the Company's subsidiaries and holdings, for a maximum aggregate value of €40 million each year (or its equivalent value in any other currency) and for a maximum per guarantee of €2.5 million (or its equivalent value in any other currency);
  - for the purchase of other fuels by any of the Company's subsidiaries and holdings, for a maximum aggregate value of €60 million each year (or its equivalent value in any other currency) and for a maximum per guarantee of €10 million (or its equivalent value in any other currency);
  - for any other reason, and to any other beneficiary, for a maximum aggregate value of €30 million each year (or its equivalent value in any other currency) and for a maximum per guarantee of €30 million (or its equivalent value in any other currency), provided that such sureties, pledges and guarantees are furnished in connection with commitments entered into by a Group subsidiary or holding.
- This authorisation was renewed, on the same terms and conditions for the 2020 financial year at the 5 December 2019 meeting of the Board of Directors, and then amended by the Board of Directors at its 2 March 2020 meeting. Accordingly, barring special authorisations from the Board of Directors, the Chief Executive Officer was, during the 2020 financial year, authorised to furnish sureties, pledges and guarantees under the following conditions:
  - to any tax and customs authorities, for an unlimited amount, with the option to further delegate;
  - for any other reason, with the option to further delegate, for a maximum aggregate value of €30 million per guarantee (or its equivalent value in any other currency), provided that such securities, pledges and guarantees are furnished in connection with commitments entered into by a company controlled by the Company as per Article L. 233-16 of the French Commercial Code;
  - for the following reasons and subject to the following terms and conditions, with the option to further delegate, in the case of securities, pledges and guarantees furnished in connection with commitments entered into by a company that is not controlled by the Company within its scope of consolidation:
    - for the purchase of biomass fuels, for a maximum aggregate value of €40 million each year (or its equivalent value in any other currency) and for a maximum per guarantee of €2.5 million (or its equivalent value in any other currency);
    - for the purchase of other fuels, for a maximum aggregate value of €60 million each year (or its equivalent value in any other currency) and for a maximum per guarantee of €10 million (or its equivalent value in any other currency);
    - for any other reason or any other beneficiary, for a maximum aggregate value of €30 million each year (or its equivalent value in any other currency) and for a maximum per guarantee of €30 million (or its equivalent value in any other currency).
- Pursuant to the Internal Regulations of the Board of Directors, last updated on 2 March 2020, the Board of Directors must authorise:
  - all major investments, with the exception of capital expenditure for maintenance work, necessary for industrial or external growth projects during the year and, if applicable, the financing thereof;
  - all capital expenditure for maintenance work that entails immediate or future commitments that exceed the amounts budgeted therefor, as stated in the budget approved by the Board of Directors;
  - all significant sales or contributions of assets;
  - and any significant transaction that is not part of the strategy approved by the Board of Directors or that entails immediate or future commitments that exceed the budget approved by the Board of Directors.

2.2.4. LIST OF THE MAIN OFFICES AND POSITIONS HELD BY THE CHIEF EXECUTIVE OFFICER DURING THE 2019 FINANCIAL YEAR AND THE FIVE PREVIOUS YEARS

Frédéric Moyne, Director, Chairman and Chief Executive Officer

- Born on 15 October 1975, of French nationality
- Main position held outside the Group at 31 December 2019 (when the position held within the Group is not the main position): none
- Business address: Albioma, Tour Opus 12, 77 esplanade du Général de Gaulle, 92914 La Défense Cedex
- Held 71,992 Albioma shares and 110,650 BSAAR warrants[1] as at 31 December 2019

Frédéric Moyne's biography can be found in Section 1.5.3.2 on page 24 of this Universal Registration Document.

Other offices and positions held at 31/12/2019	
WITHIN ALBIOMA GROUP	
Quant 2008 A SRL (Italy)	Director
Quant Energia Italia SRL (Italy)	Director
OUTSIDE ALBIOMA GROUP	
Syndicat des Énergies Renouvelables	Chairman of the Overseas Regions Committee within the Board of Directors

Other offices and positions held during the last five years, expired at 31/12/2019		**Expiry**
WITHIN ALBIOMA GROUP		
Albioma Solaire France SAS	Permanent representative of Albioma in its capacity as Chairman	2019
Albioma Solar Assets France 1 SAS	Permanent Representative of Albioma Solaire France in its capacity as Chairman	2019
Albioma Solar Assets France 2 SAS	Permanent Representative of Albioma Solaire France in its capacity as Chairman	2019
Eco Énergie Habitation SAS	Permanent Representative of Albioma Solaire France in its capacity as Chairman	2019
Société Énergétique de Cazaux de Larboust SAS	Permanent Representative of Albioma Solaire France in its capacity as Chairman	2019
OTS	Permanent Representative of Albioma Solaire France in its capacity as Chief Executive Officer	2019
Corbières Photo 1	Permanent Representative of Albioma Solaire France in its capacity as Chief Executive Officer	2019
Quantum Caraïbes SAS	Member of the Commitments Committee	2017
Albioma Participações do Brasil LTDA (Brazil)	Chief Executive Officer	2016
Albioma Rio Pardo Termoelétrica LTDA (Brazil)	Chief Executive Officer	2016
Albioma Codora Energia SA (Brazil)	Chief Executive Officer	2016
Albioma Codora Participações LTDA (Brazil)	Officer	2015
Albioma Rio Pardo Participações SA (Brazil)	Chief Executive Officer	2015
Methaneo SAS	Member of the Supervisory Board	2014
Éoliennes des Quatre-Vents SAS	Chairman	2014
OUTSIDE ALBIOMA GROUP		
None		

1. See additional information in Section 6.2.2.2 on pages 258 et seq. of this Registration Document.

2.3. Membership of the Board of Directors and conditions for the preparation and organisation of its work

2.3.1. MEMBERSHIP OF THE BOARD OF DIRECTORS

2.3.1.1. Membership of the Board of Directors at 31 December 2019

The table below summarises the membership of the Board of Directors at 31 December 2019. Additional information on the current corporate officers on this date is provided in Section 2.3.2.1 on pages 82 *et seq.* of this Universal Registration Document. Information on changes to the composition of the Board of Directors since the beginning of the 2019 financial year and on changes to the composition of the Board of Directors that the General Meeting that will be held on 29 May 2020 will be asked to approve is also provided in Sections 2.3.1.5 and 2.3.1.6 on pages 81 *et seq.* of this Universal Registration Document.

At 31 December 2019, the Company's Board of Directors had eight members:

- the Chairman and Chief Executive Officer;
- six independent Directors;
- Bpifrance Investissement, acting on behalf of the ETI2020 fund which it manages, a Company shareholder, which held 5.06% of the share capital as at 31 December 2019.

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)[1];
- any Directors representing 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 2019 was under 3% (see the information provided in Section 6.3.4 on page 262 of this Universal Registration Document).

In addition, a representative of the Social and Economic Committee is systematically invited to meetings of the Board of Directors and may attend in a non-voting capacity.

1. Furthermore, given its size, the Company was not subject to the provisions of Article L. 225-27-1 of the French Commercial Code, and was therefore not required to take, in 2019, any measures that would result in the appointment of salaried Directors.

Identity	Offices held within the Company	Date of first appointment	Date of most recent appointment[1]	Expiry date[2]
Frédéric Moyne	Director Chief Executive Officer Chairman of the Board of Directors	31/05/2017 01/03/2016[3] 27/05/2019	n/a n/a n/a	2021 GM 2020 GM 2021 GM
Jean-Carlos Angulo	Independent Director Chairman of the Commitments Committee Member of the Corporate Social Responsibility Committee	30/05/2013 13/04/2016 30/05/2013	31/05/2017 31/05/2019 27/05/2019	2021 GM 2021 GM 2021 GM
Pierre Bouchut	Independent Director Chairman of the Audit, Accounts and Risks Committee Member of the Nomination, Remuneration and Governance Committee	30/05/2018 30/05/2018 30/05/2018	n/a 27/05/2019 27/05/2019	2022 GM 2022 GM 2022 GM
Bpifrance Investissement	Director Member of the Commitments Committee Member of the Audit, Accounts and Risks Committee Member of the Nomination, Remuneration and Governance Committee	31/05/2017 31/05/2017 31/05/2017 31/05/2018	n/a 27/05/2019 27/05/2019 27/05/2019	2021 GM 2021 GM 2021 GM 2021 GM
Sébastien Moynot	*Permanent representative of Bpifrance Investissement in its capacity as Director, member of the Commitments Committee, member of the Audit, Accounts and Risks Committee and member of the Nomination, Remuneration and Governance Committee*	*29/01/2019*	*n/a*	*n/a*
Marie-Claire Daveu	Independent Director Chairwoman of the Corporate Social Responsibility Committee Member of the Nomination, Remuneration and Governance Committee	28/05/2015 28/05/2015 31/05/2017	27/05/2019 27/05/2019 27/05/2019	2023 GM 2023 GM 2023 GM
Florence Lambert	Independent Director Member of the Corporate Social Responsibility Committee	27/05/2019 27/05/2019	n/a n/a	2023 GM 2023 GM
Frank Lacroix	Independent Director Member of the Commitments Committee Member of the Audit, Accounts and Risks Committee	27/05/2019[4] 27/05/2019 27/05/2019	n/a n/a n/a	2021 GM 2021 GM 2021 GM
Ulrike Steinhorst	Independent Director Chairwoman of the Nomination, Remuneration and Governance Committee Member of the Corporate Social Responsibility Committee	19/09/2017[5] 19/09/2017 30/05/2018	n/a 27/05/2019 27/05/2019	2021 GM 2021 GM 2021 GM

1. Or, for members of specialised Committees of the Board of Directors, date of most recent confirmation by the Board of Directors of the membership of that Committee.

2. GM n: term of office will expire at the close of the General Meeting to be held in year n to approve the financial statements for the previous financial year.

3. Effective from 1 June 2016.

4. Co-opting by the Board of Directors to replace Jacques Pétry, for the remainder of the latter's term of office as Director, subject to ratification by the General Meeting of 29 May 2020.

5. Provisional appointment by the Board of Directors to replace Michèle Remillieux, for the remainder of the latter's term of office as Director, ratified by the General Meeting of 30 May 2018.

2.3.1.2. Status of Directors

Appointment of Directors

The Board of Directors has between three and 12 members, appointed by the General Meeting. Their term of office lasts four years and expires at the close of the General Meeting called to approve the financial statements for the financial 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 General Meeting, although the lack of ratification does not invalidate decisions 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 fewer 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 served or does not serve as Chairman of the Board of Directors, or who has not served 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 2019, only one Director was aged over 70 and the average age of Board members was 55.8 years, compared to 57.3 years 12 months earlier.

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 2019, 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

At least once every financial 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 Internal Regulations of the Board of Directors, 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:

- 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 12 years.

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

During the annual review of the position of the Directors for the 2018 financial year, undertaken at the meeting of the Board of Directors of 23 April 2019, the following Directors were deemed to qualify as independent Directors:

- Jean-Carlos Angulo;
- Pierre Bouchut;
- Marie-Claire Daveu;
- Valérie Landon;
- Ulrike Steinhorst.

None of the Directors qualifying as independent Directors had any direct or indirect business relationship with the Company or its Group.

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

- Jacques Pétry, given that he served as the Company's Chief Executive Officer until 1 June 2016;
- Frédéric Moyne, who has served as the Company's Chief Executive Officer since 1 June 2016;
- Bpifrance Investissement, which, through the ETI 2020 fund which it manages, holds a material interest in the company (see additional information in Section 6.3.2.2 on page 261 of this Universal Registration Document).

The Board of Directors also concluded, at its 2 April 2019 meeting, that Frank Lacroix and Florence Lambert, then nominated as Directors and having been appointed, in the case of the former, pursuant to decisions of the 27 May 2019 meeting of the Board of Directors and, in the case of the latter, a favourable vote by the General Meeting of 27 May 2019, could be classified as independent Directors. Frank Lacroix and Florence Lambert do not have any direct or indirect business relationship with the Company or its Group.

These findings were confirmed at the time of the annual review of the position of the Directors for the 2019 financial year, carried out at the meeting of the Board of Directors of 27 April 2020. The proportion of independent Directors, which thus stood at 75% (following the replacement of Jacques Pétry, who resigned, by Frank Lacroix, who was co-opted as Director at the 27 May 2019 meeting of the Board of Directors), was thus above the 50% threshold recommended by the AFEP-MEDEF Code in non-controlled companies.

Management of conflicts of interest

Over and above the considerations relating to the independence 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 Lead Independent Director takes preventive measures, together with the Chairman of the Board of Directors, to raise awareness amongst corporate officers and other Board members regarding situations likely to give rise to conflicts of interest. He notifies the Board of Directors regarding any potential conflicts of interest involving Directors that were brought to his attention or of which he became aware and helps manage them.

The position of Directors concerning 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 then asked to:

- formally confirm his/her undertaking to inform the Board of Directors, in accordance with the provisions of the Directors' Charter, of any situation involving a conflict of interest or potential conflict of interest, and, in the event of a known conflict of interest, to abstain from participating in discussions and voting on the corresponding resolution;
- formally inform the Board of Directors of the existence of such situations involving a known or potential conflict of interest.

None of the declarations made by the Directors during the review of their position (meetings of the Board of Directors of 23 April 2019, 27 May 2019 and, most recently, 27 April 2020) revealed the existence of any known conflict of interest.

Multiple offices

The rules applicable to Directors and to the Chairman of the Board of Directors under the Directors' Charter are as follows:

- the Directors, including the Chairman of the Board of Directors, cannot hold more than four other offices in listed non-Group companies, including foreign companies;
- the Chairman of the Board of Directors must inform the Board of Directors before accepting any office in any listed or unlisted non-Group company;
- the Chairman of the Board of Directors must obtain the consent of the Board of Directors before accepting any office in a listed non-Group company;
- the Directors, including the Chairman of the Board of Directors, must keep the Board of Directors informed of all significant positions and offices they hold in listed or unlisted non-Group companies, including membership of specialised committees set up by boards of directors.

As of the date of filing of this Registration Document, all Company Directors, including the Chairman and Chief Executive Officer (see additional information in Section 2.2.2 on pages 73 *et seq.* of this Universal Registration Document on the rules applicable to the Chief Executive Officer), comply with these obligations. The significant offices and positions held by corporate officers during the 2019 financial year are set out in Section 2.3.2.1 on pages 82 *et seq.* of this Universal Registration Document.

Stock market ethics

The Directors are required to comply with the applicable rules regarding the prevention of the criminal offence and administrative breach of insider dealing. 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 inside information concerning the Company and its Group.

Each Director is responsible for determining whether information he/she holds is inside information 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 trade 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 the criminal offence and administrative breach of insider dealing.

The Directors are also required to refrain from trading in the Company's securities during the following black-out periods:

- periods beginning thirty calendar days before and ending two trading days after, firstly, the announcement of the annual results and, secondly, the announcement of the half-yearly results;
- periods beginning fifteen calendar 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 Article 19 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014, Articles L. 621-18-2 and R. 621-43-1 of the French Monetary and Financial Code and Article 223-23 of the AMF General Regulations, the Directors and managers, their families and friends are required to disclose to the AMF all trading in the Company's securities when the amount of such trading exceeds €20,000 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 on its website.

A summary of trading in the Company's securities disclosed during the 2019 financial year is provided in Section 2.5 on page 134 of this Universal Registration Document.

Declaration regarding integrity

During the review of the Directors' position (meetings of the Board of Directors of 2 April 2019, 23 April 2019 and, most recently, 27 April 2020), 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 designated 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.

2.3.1.3. Gender balance on the Board of Directors

At 31 December 2019, three women sat on the Board of Directors out of a total of eight Directors, representing 37.5% of the Directors in office, compared to 50% as at 31 December 2018. This fall in the proportion of female Directors is due to the replacement, on 29 January 2019, of Émilie Brunet by Sébastien Moynot as permanent representative on the board of Bpifrance Investissement.

On both these dates, given that the Board of Directors had eight members, the proportion of Directors of each gender thus complied with the recommendations of Article L. 225-18-1 of the French Commercial Code and the recommendations of the AFEP-MEDEF Code.

The proposed changes to the composition of the Board of Directors put to the General Meeting of 29 May 2020 for approval will not affect the compliance of the composition of the Board with the foregoing laws and Code.

2.3.1.4. Staggering the renewal of Directors' terms of office

In accordance with the recommendations of the AFEP-MEDEF Code, the Board of Directors, on the basis of the work of the Nomination, Remuneration and Governance 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 2019, whose renewal was spread over three financial years (2021, 2022 and 2023, see additional information in Section 2.3.1.1 on page 77 of this Universal Registration Document), does not require the implementation of any specific provisions in this regard.

2.3.1.5. Changes made to the composition of the Board of Directors during the 2019 financial year

On 29 January 2019, Bpifrance Investissement appointed Sébastien Moynot as permanent representative of Bpifrance Investissement in its capacity as Director, to succeed Émilie Brunet who left Bpifrance Group.

The General Meeting of 27 May 2019:

- reappointed Marie-Claire Daveu as Director for a four-year term expiring at the close of the General Meeting called in 2023 to approve the 2022 financial statements;
- recorded the expiry of the term of office as Director of Valérie Landon, who did not wish to be reappointed, and appointed Florence Lambert as Director for a four-year term to expire at the close of the General Meeting called in 2023 to approve the 2022 financial statements.

Lastly, the 27 May 2019 meeting of the Board of Directors held following the General Meeting:

- recorded the resignation of Jacques Pétry as Chairman of the Board of Directors and as Director;
- decided to combine the roles of Chairman of the Board of Directors and of Chief Executive Officer, and to appoint Frédéric Moyne as Chairman of the Board of Directors, for the period of his term of office as Director (i.e. to the close of the General Meeting called in 2021 to approve the 2020 financial statements);
- co-opted Frank Lacroix as Director for the remainder of the term of office of Jacques Pétry, who has resigned i.e., to the close of the General Meeting called in 2021 to approve the 2020 financial statements.

These changes led the Board of Directors to review the membership of its specialised Committees at its meeting on 27 May 2019. The Board of Directors thus:

- appointed Frank Lacroix to the Commitments Committee and to the Audit, Accounts and Risks Committee;
- appointed Florence Lambert to the Corporate Social Responsibility Committee.

2.3.1.6. Changes to the composition of the Board of Directors to be put to the General Meeting of 29 May 2020 for approval

The General Meeting of 29 May 2020 will be asked to ratify the provisional appointment by co-option of Frank Lacroix as Director at the 27 May 2019 meeting of the Board of Directors for the remainder of the term of office of Jacques Pétry, who has resigned i.e., to the close of the General Meeting called in 2021 to approve the 2020 financial statements.

2.3.2. LIST OF THE MAIN OFFICES AND POSITIONS HELD BY THE DIRECTORS DURING THE 2019 FINANCIAL YEAR AND THE FIVE PREVIOUS YEARS

2.3.2.1. Directors in office as at the date of filing of the Universal Registration Document

Frédéric Moyne, Chairman and Chief Executive Officer

See additional information in Section 2.2.4 on page 75 of this Universal Registration Document.

Jean-Carlos Angulo, independent Director, Chairman of the Commitments Committee, member of the Corporate Social Responsibility Committee

- Born on 13 April 1949, of French nationality
- Main position held outside the Group at 31 December 2019 (when the position held within the Group is not the main position): none
- Business address: Albioma, Tour Opus 12, 77 esplanade du Général de Gaulle, 92914 La Défense Cedex
- Held 750 Albioma shares as at 31 December 2019

A graduate of the École Nationale Supérieure des Mines de Nancy (1971) and INSEAD business school, Jean-Carlos Angulo was a Project Engineer at Société Européenne de Propulsion (SEP) from 1971 to 1974. He joined Lafarge Group in 1975 as Project Manager, then held management positions in several subsidiaries and business divisions, notably in Brazil (Director of Lafarge Consulteria e Estudos, 1981-1984, General Manager of Cimento Mauà 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 Lafarge Group and in 2007 a member of the group's Executive Committee. After serving as Executive Vice President in charge of Operations between 2012 and 2013, he was appointed Executive Vice President, Advisor to the Chairman, in September 2013, remaining in office until January 2015 when he retired. He joined Albioma's Board of Directors in 2013.

Other offices and positions held at 31/12/2019		
WITHIN ALBIOMA GROUP		
None		
OUTSIDE ALBIOMA GROUP		
Armacell International SA (Luxembourg)	Member of the Supervisory Board	
Netafim Ltd (Israel)	Director	
Netafim Ltd (Israel)	Chairman of the Audit Committee	
Other offices and positions held during the last five years, expired at 31/12/2019		**Expiry**
WITHIN ALBIOMA GROUP		
Albioma SA[1]	Member of the Commitments and Monitoring Committee	2016
OUTSIDE ALBIOMA GROUP		
Cemento Polpaico (Chili)	Director	2018
Lafarge Africa Plc (Nigéria)[1]	Director	2017

1. Listed company.

Pierre Bouchut, Lead Independent Director, Chairman of the Audit, Accounts and Risks Committee, member of the Nomination, Remuneration and Governance Committee

- Born on 22 August 1955, of French nationality
- Main position held outside the Group at 31 December 2019 (when the position held within the Group is not the main position): none
- Business address: Albioma, Tour Opus 12, 77 esplanade du Général de Gaulle, 92914 La Défense Cedex
- Held 400 Albioma shares as at 31 December 2019

Pierre Bouchut is a graduate of HEC business school, holds a Master's degree in applied economics from Paris Dauphine University and is a reserve officer with the French Navy. He has many years' experience in finance, retail, industry and other sectors. He began his career with Citibank and McKinsey. He has also served as Chief Finance Officer and then Chief Executive Officer of Casino Group, Chief Finance Officer and member of the Management Board of Schneider Electric, Chief Finance Officer of Carrefour Group and the Delhaize Group, and Operational Head of European activities and member of the Management Board of Ahold Delhaize. He is currently Director and Chairman of the Audit Committees of Geopost, Hammerson, Firmenich and of GVC Holdings. He joined Albioma's Board of Directors in 2017.

Other offices and positions held at 31/12/2019	
WITHIN ALBIOMA GROUP	
None	
OUTSIDE ALBIOMA GROUP	
Firmenich SA (Switzerland)[1]	Director
Firmenich SA (Switzerland)[1]	Chairman of the Audit Committee
Geopost SA	Director
Geopost SA	Chairman of the Audit Committee
Groupement Forestier de Meymac-Villemaumy	Manager
GVC Holdings PLC (Isle of Man)[1]	Director
GVC Holdings PLC (Isle of Man)[1]	Chairman of the Audit Committee
Hammerson PLC (UK)[1]	Director
Hammerson PLC (UK)[1]	Chairman of the Audit Committee
Qualium Investissement SAS	Member of the Policy Committee

Other offices and positions held during the last five years, expired at 31/12/2019		**Expiry**
WITHIN ALBIOMA GROUP		
None		
OUTSIDE ALBIOMA GROUP		
Ahold Delhaize NV (Netherlands)[1]	Member of the Management Board	2017
La Rinascente Spa (Italy)	Director	2017
Lombard Odier Asset Management SA (Switzerland)	Member of the Advisory Board	2017

1. *Listed company.*

Bpifrance Investissement, Director, member of the Commitments Committee, member of the Audit, Accounts and Risks Committee and member of the Nomination, Remuneration and Governance Committee

- French simplified limited company (*société par actions simplifiée*) with a share capital of €20,000,000.00, registered as number 433 975 224 in the Créteil Trade and Companies Register
- Registered office: 27/31 avenue du Général Leclerc, 94710 Maisons Alfort Cedex
- Held 1,584,729 Albioma shares as at 31 December 2019

Bpifrance, whose capital is owned by la Caisse des Dépôts and the French State, invests in companies as a minority shareholder in order to support their development. The professional private equity fund ETI 2020, which is managed by Bpifrance Investissement (a subsidiary of Bpifrance), has received €3 billion from Bpifrance which it invests in medium-sized French companies with the aim of helping them to accelerate their innovation and development projects, and more specifically their international projects. Bpifrance Investissement joined Albioma's Board of Directors in 2017.

Other offices and positions held at 31/12/2019	
WITHIN ALBIOMA GROUP	
None	
OUTSIDE ALBIOMA GROUP	
ADE Holding SAS	Member of the Supervisory Board
Altrad Investment Authority SAS	Director
Attis 2 SAS	Member of the Supervisory Board
Bastide le Confort Medical SA[1]	Director
Beneteau SA[1]	Director
Canosque Holding SAS - La Maison Bleue	Director
Cosmeur SAS	Chairman of the Board of Directors
DR Holding SAS	Member of the Supervisory Board
Early Makers Group SA	Member of the Supervisory Board
Educin Topco SAS	Member of the Supervisory Board
Finsecur SA	Member of the Supervisory Board
Sulo Group SAS	Member of the Supervisory Board
Grandir SAS	Member of the Supervisory Board
Green Yellow SAS	Member of the Supervisory Board
Kelenn Participations SAS	Director
Neoen SA	Director
Neoxco SAS	Member of the Supervisory Board
Nexteam Group SAS	Advisory member of the Supervisory Board
Oberthur Technologies Group SAS	Member of the Supervisory Board
PN VII Investment S.C.Sp. (Luxembourg)	Director
Sagesse Retraite Santé Holding SAS	Member of the Supervisory Board
Sandaya Holding SAS	Advisory member of the Supervisory Board
Satys Group SA	Advisory member of the Board of Directors
Société d'Assistance et Gestion du Stationnement SAS	Member of the Supervisory Board
SSCP Aero Topco SAS	Member of the Supervisory Board
Total Eren SA	Director
Vivescia Industries SCA[1]	Advisory member of the Supervisory Board
Verallia SA[1]	Director

1. *Listed company.*

Other offices and positions held during the last five years, expired at 31/12/2019		Expiry
WITHIN ALBIOMA GROUP		
Albioma SA[1]	Member of the Corporate Social Responsibility Committee	
OUTSIDE ALBIOMA GROUP		
Horizon Holdings SAS	Director	2019
Insignis SAS	Director	2019
NTL Holding SAS	Director	2019
Sarenza SAS	Director	2018
Neoen SAS	Member of the Supervisory Board	2018
Neoen SAS	Advisory member of the Board	2018
Algonquin Management Partners SAS	Director	2018
Group GPS SAS	Member of the Strategic Committee	2018
Farinia SA	Director	2018
Lucia Holding SAS	Director	2017
De Dietrich	Member of the Supervisory Board	2017
AD Industries SAS	Advisory member	2016

1. Listed company.

Sébastien Moynot, permanent representative of Bpifrance Investissement in its capacity as Director, member of the Commitments Committee, member of the Audit, Accounts and Risks Committee and member of the Nomination, Remuneration and Governance Committee

- Born on 29 February 1972, of French nationality
- Main position held outside the Group at 31 December 2019 (when the position held within the Group is not the main position): member of the Growth Capital Management Committee of Bpifrance Investissement
- Business address: Bpifrance, 6-8 boulevard Haussmann, 75009 Paris
- Did not hold any Albioma shares as at 31 December 2019

Sébastien Moynot is an alumnus of the École Normale Supérieure de Paris and holds a degree in probabilities. He also qualified as a teacher of mathematics and is a graduate of the École Nationale de la Statistique et de l'Administration Économique. Since 2013, he has been a member of the Growth Capital Management Committee of Bpifrance Investissement, more specifically responsible for equity investments in mid and large corporates. He joined Fonds Stratégique d'Investissement as Chief Investment Officer when it was established in 2009. Prior to this, Sébastien Moynot had spent a decade in the Treasury Department at the Finance Ministry where he held a number of positions. He was in particular responsible for the transport sector at Agence des Participations de l'État and before that Head of Strategy and Capital Markets at Agence France Trésor. He has held and continues to hold various offices in unlisted companies. Since 29 January 2019, he has represented Bpifrance Investissement in its capacity as Director of Albioma.

Other offices and positions held at 31/12/2019	
WITHIN ALBIOMA GROUP	
None	
OUTSIDE ALBIOMA GROUP	
Beneteau SA[1]	Director
Cosmeur SAS	Chairman of the Board of Directors
Altrad Investment Authority SAS	Director
Green Yellow SAS	Member of the Supervisory Board
Vivescia Industries SCA[1]	Advisory member of the Supervisory Board
Vivescia Industries SCA[1]	Member of the Audit Committee
Nexteam Group	Advisory member of the Supervisory Board
Verallia	Director

Other offices and positions held during the last five years, expired at 31/12/2019		**Expiry**
WITHIN ALBIOMA GROUP		
None		
OUTSIDE ALBIOMA GROUP		
NTL Holding SAS	Director	2019
Horizon Holdings SAS	Director	2019
Farinia SA	Director	2018
AD Industries SAS	Advisory member	2016

1. Listed company

Marie-Claire Daveu, independent Director, Chairwoman of the Corporate Social Responsibility Committee, member of the Nomination, Remuneration and Governance Committee

- Born on 5 April 1971, she has French nationality
- Main position held outside the Group at 31 December 2019 (when the position held within the Group is not the main position): Chief Sustainability Officer and Head of International Institutional Affairs, member of the Executive Committee of Kering Group
- Business address: Kering, 40 rue de Sèvres, 75007 Paris
- Held 409 Albioma shares as at 31 December 2019

She is a graduate of the Institut National Agronomique Paris-Grignon (INA PG), and of the École Nationale du Génie Rural, des Eaux et des Forêts (ENGREF). She also holds a Masters (DESS) in public administration from Paris-Dauphine University. After embarking on a career as a senior civil servant in the field of agriculture and the environment, Marie-Claire Daveu was Technical Advisor to the Office of Prime Minister Jean-Pierre Raffarin, before being appointed Principal Private Secretary to Serge Lepeltier, Minister of Ecology and Sustainable Development in 2004. In 2005, Marie-Claire Daveu joined Sanofi-Aventis as Head of Sustainable Development. Between 2007 and 2012 she served as Principal Private Secretary to Nathalie Kosciusko-Morizet, who was initially Secretary of State for Ecology before becoming Secretary of State for Forward Planning and the Digital Economy and then Minister for Ecology, Sustainable Development, Transport and Housing. In September 2012 she took up her current position as Chief Sustainability Officer and Head of International Institutional Affairs for Kering Group. She is also a member of Kering Group's Executive Committee. She joined Albioma's Board of Directors in 2015.

Other offices and positions held at 31/12/2019	
WITHIN ALBIOMA GROUP	
None	
OUTSIDE ALBIOMA GROUP	
Crédit Agricole Corporate and Investment Banking (CACIB) SA	Director
Crédit Agricole Corporate and Investment Banking (CACIB) SA	Chairwoman of the Risks Committee
Kering SA[1]	Chief Sustainability Officer and Head of International Institutional Affairs
Kering SA[1]	Member of the Executive Committee
Compagnie du Ponant SAS	Member of the Supervisory Board

Other offices and positions held during the last five years, expired at 31/12/2019		**Expiry**
WITHIN ALBIOMA GROUP		
None		
OUTSIDE ALBIOMA GROUP		
Saft Groupe SA[1]	Director	2018
Crédit Agricole Corporate and Investment Banking (CACIB) SA	Chairwoman of the Nomination Committee	2017
Saft Groupe SA[1]	Member of the Supervisory Board	2016
Île-de-France Regional Council	Regional Councillor	2015

1. Listed company.

Frank Lacroix, independent Director, member of the Commitments Committee, member of the Audit, Accounts and Risks Committee

- Born on 18 August 1964, of French nationality
- Main position held outside the Group at 31 December 2019 (when the position held within the Group is not the main position): Head of Regional Train Operations at SNCF Mobilités
- Business address: SNCF Mobilités, Direction Générale TER, Campus Infinity, 116 cours Lafayette, CS13511, 69489 Lyon Cedex 03, France
- Held 400 Albioma shares as at 31 December 2019

An engineering graduate from École Centrale de Marseille, Frank Lacroix joined SNCF in 2016 where he is Head of Regional Train Operations at SNCF Mobilités. Following a long career in the energy sector, Frank Lacroix was Chairman and Chief Executive Officer of Dalkia Group from 2011 to 2014, and a member of the Executive Committee of Veolia, where he held the positions of Head of Low Current and Public Lighting, Regional Operations Manager, Chief Operating and Technical Officer for Dalkia Group and CEO France for the same group. In July 2014, upon termination of EDF's and Veolia's strategic partnership with respect to Dalkia, he joined EDF Group and held the positions of Vice-President for R&D and Vice-President Europe in the International Division. He joined Albioma's Board of Directors in 2019.

Other offices and positions held at 31/12/2019		
WITHIN ALBIOMA GROUP		
None		
OUTSIDE ALBIOMA GROUP		
Union des Transports Publics et Ferroviaires	Director	Current
Fondation SNCF	Director	Current
E-Voyageurs.SNCF SAS	Director	Current
Other offices and positions held during the last five years, expired at 31/12/2019		**Expiry**
WITHIN ALBIOMA GROUP		
None		
OUTSIDE ALBIOMA GROUP		
Veolia SGPS Portugal (Portugal)	Director	2016
Fondation d'entreprise VE	Representative of Founding Members	2015
Fondation Veolia France	Director	2015

Florence Lambert, independent Director, member of the Corporate Social Responsibility Committee

- Born on 26 November 1972, of French nationality
- Main position held outside the Group at 31 December 2019 (when the position held within the Group is not the main position): Manager of CEA-Liten
- Business address: CEA-Liten, 17 avenue des Martyrs, 38000 Grenoble
- Held 400 Albioma shares as at 31 December 2019

Florence Lambert joined CEA in February 2000 and held various managerial roles relating to renewable energy and energy storage systems. In 2006, she joined the French National Solar Energy Institute (CEA-INES) and launched the first research platform for stationary storage in Europe. In 2009, she developed the Transport division at CEA-LITEN, focusing on the development and integration of two key components: lithium-ion batteries and fuel cells. She played a key role in various low emission vehicle development projects in France. In 2013, as Director of the LITEN Institute (1,000 researchers), she led a team covering various technological fields: solar, transport, hydrogen, biomass and nano-materials. She was also responsible, from 2013 to 2018, for national industrial energy storage plans, under the responsibility of the Ministry for the Economy and the Ministry of Ecology. In June 2018, Florence Lambert was appointed Chairwoman of the Industry, Employment and Innovation Committee within the Board of Directors of the Syndicat des Énergies Renouvelables. In February 2019, she was appointed General Chair of the EU PVSEC 2019 conference following nomination and approval by the International Scientific Advisory Committee of EU PVSEC. She joined Albioma as a Director on 27 May 2019.

Other offices and positions held at 31/12/2019		
WITHIN ALBIOMA GROUP		
None		
OUTSIDE ALBIOMA GROUP		
Syndicat des Énergies Renouvelables	Chairwoman of the Industry, Employment and Innovation Committee within the Board of Directors	

Other offices and positions held during the last five years, expired at 31/12/2019		Expiry
WITHIN ALBIOMA GROUP		
None		
OUTSIDE ALBIOMA GROUP		
None		

Ulrike Steinhorst, independent Director, Chairwoman of the Nomination, Remuneration and Governance Committee, member of the Corporate Social Responsibility Committee

- Born on 2 December 1951, of German nationality
- Main position held outside the Group at 31 December 2019 (when the position held within the Group is not the main position): none
- Business address: Albioma, Tour Opus 12, 77 esplanade du Général de Gaulle, 92914 La Défense Cedex
- Held 409 Albioma shares as at 31 December 2019

Ulrike Steinhorst is a qualified German lawyer, and is also a graduate of the international section of Ecole Nationale d'Administration, holds a DEA degree in public law (Paris II Pantheon University) and an MBA from CPA/HEC. She began her career in France as technical advisor to the French Minister of European Affairs. She joined EDF Group in 1990, holding various functional and operational responsibilities. She was Head of International Energy Production Subsidiaries from 1996 to 1999. In 1999 she joined Degussa Group, number three in the chemicals sector in Germany. She held the position of Human Resources Director for one of the group's three divisions (food additives, 4,000 people, sites in the USA, Latin America, Asia and Europe). In 2001, she was asked to oversee development of the group's senior executives during a period of intense M&A activity. In 2003, she became responsible for its subsidiaries in France while also heading the group's representation office in Brussels. She joined EADS in 2007, serving as Chief of Staff to the Executive Chairman of EADS until he stepped down in 2012. She then moved to the Group's Corporate Technical Office as Head of Strategy, Planning and Finance, until she was appointed Senior Advisor to the Corporate Technical Officer and member of the Executive Committee of Airbus Group at the end of 2015. She held this position for two years. She is currently an independent Director of two listed companies in addition to Albioma: Valeo and Mersen. She chairs Valeo's Strategy Committee and Mersen's Governance and Remuneration Committee. She joined Albioma's Board as an independent Director in 2017.

Other offices and positions held at 31/12/2019	
WITHIN ALBIOMA GROUP	
None	
OUTSIDE ALBIOMA GROUP	
Mersen SA[1]	Director
Mersen SA[1]	Chairwoman of the Nomination, Remuneration and Governance Committee
Valeo SA[1]	Director
Valeo SA[1]	Chairwoman of the Strategy Committee
Valeo SA[1]	Member of the Governance, Nomination and Corporate Social Responsibility Committee
Valeo SA[1]	Member of the Remuneration Committee
École des Mines – ParisTech	Member of the Board of Directors
Franco-German Chamber of Commerce and Industry	Member of the Board of Directors
Fabrique de l'Industrie	Member of the Policy Committee
Nuria Consultancy SAS	Founder and Chairwoman

Other offices and positions held during the last five years, expired at 31/12/2019		**Expiry**
WITHIN ALBIOMA GROUP		
None		
OUTSIDE ALBIOMA GROUP		
Fonds d'Innovation dans l'Industrie (F2I, UIMM)	Member of the Board of Directors	2017
Airbus SE	Head of Strategy, Planning, Finance, Corporate Technical Office	2017
Institut des Maladies Génétiques Imagine	Member of the Board of Directors	2016

1. Listed company.

2.3.2.2. Directors who ceased to hold office in the 2019 financial year

Jacques Pétry, Chairman of the Board of Directors

- Born on 16 October 1954, of French nationality
- Main position held outside the Group at 27 May 2019 (when the position held within the Group is not the main position): none
- Business address: Albioma, Tour Opus 12, 77 esplanade du Général de Gaulle, 92914 La Défense Cedex
- Held 125,274 Albioma shares as at 27 May 2019

A graduate of the École Polytechnique and with a civil engineering qualification from École Nationale des 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 for Continental Europe and Latin 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 Séchilienne-Sidec) in 2011 as Chairman and Chief Executive Officer, and left the Group after having been Chairman of the Board of Directors from 1 June 2016 to 27 May 2019.

Other offices and positions held at 27/05/2019	
WITHIN ALBIOMA GROUP	
None	
OUTSIDE ALBIOMA GROUP	
Jacques Pétry Strategic Services EURL	Manager
Renewi Plc[1]	Senior Independent Director
Renewi Plc[1]	Non-Executive Director
Renewi Plc[1]	Member of the Audit Committee
Renewi Plc[1]	Member of the Remuneration Committee
Renewi Plc[1]	Member of the Nomination Committee

Other offices and positions held during the last five years, expired at 27/05/2019		**Expiry**
WITHIN ALBIOMA GROUP		
Albioma SA[1]	Chief Executive Officer	2016
Methaneo SAS	Permanent representative of Albioma SA in its capacity as Chairman	2016
Methaneo SAS	Permanent representative of Albioma SA in its capacity as member of the Supervisory Board	2016
OUTSIDE ALBIOMA GROUP		
None		

1. Listed company.

Valérie Landon, independent Director, member of the Commitments Committee, member of the Audit, Accounts and Risks Committee

- Born on 17 August 1962, of French nationality
- Main position held outside the Group at 27 May 2019 (when the position held within the Group is not the main position): Vice-Chairman Investment Banking & Capital Markets, Credit Suisse Group
- Business address: Crédit Suisse, 86 boulevard Haussmann, 75008 Paris
- Held 407 Albioma shares as at 27 May 2019

Valérie Landon graduated from Ecole Centrale de Paris and began her career as an engineer with Air France in 1985. She joined Credit Suisse in 1990 as an Investment Banker. After having worked mainly in Paris and Tokyo, she became Managing Director in 2000 and, in 2003, Co-Head and then Head of Investment Banking France, Belgium and Luxembourg. She has held the office of Vice-Chairman Investment Banking & Capital Markets in Credit Suisse Group since 2015. Valérie Landon joined Albioma as Director in 2016, and left the Group following the General Meeting of 27 May 2019.

Other offices and positions held at 27/05/2019		
WITHIN ALBIOMA GROUP		
None		
OUTSIDE ALBIOMA GROUP		
Faurecia SA[1]	Director	
Faurecia SA[1]	Member of the Audit Committee	
Other offices and positions held during the last five years, expired at 27/05/2019		**Expiry**
WITHIN ALBIOMA GROUP		
None		
OUTSIDE ALBIOMA GROUP		
Fondation Catalyst	Member of the European Advisory Board	2016

1. Listed company.

2.3.3. CONDITIONS FOR THE PREPARATION AND ORGANISATION OF THE WORK OF THE BOARD OF DIRECTORS

2.3.3.1. Conditions for the preparation and organisation of the work of the Board of Directors and of the specialised Committees during the 2019 financial year

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

The preparation and organisation of meetings of the Board of Directors, together with their remit, stem from application of the rules set by law, the Company's Memorandum and Articles of Association and the Internal Regulations of the Board of Directors.

The main purpose of the Internal Regulations of the Board of Directors is to supplement the applicable rules laid down by laws, 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 remit and operating procedures of the Board of Directors, as well as those of the four specialised Committees, composed of Directors, which, at its request or that of the Chairman of the Board of Directors, draw up recommendations for its attention.

The Internal Regulations of the Board of Directors were amended at the meeting of the Board of Directors of 30 May 2018, following on from the proceedings of the Board of Directors at its 30 March 2018 meeting, when it decided to combine the roles of Chairman of the Board of Directors and of Chief Executive Officer following the General Meeting of 27 May 2019. Said amendments to the Internal Regulations of the Board of Directors included:

- slightly changing the manner in which information is provided to Directors, by systematically adding a general introduction from the Chief Executive Officer at the outset of each meeting of the Board of Directors that encompasses employee safety and business performance, reviewing the main events since the previous meeting of the Board of Directors plus Group strategy and the main risks to which it is or may be exposed;
- deleting references to the Deputy Chairman of the Board of Directors, which the Board of Directors had decided to eliminate at the General Meeting of 30 May 2018;

- changing the remit of the Nomination and Remuneration Committee, now renamed the Nomination, Remuneration and Governance Committee;
- setting out the remit of the Commitments Committee, specifically with respect to the division of responsibilities between it and the Board of Directors as regards reviewing planned commitments that are outside the scope of the strategy approved by the Board of Directors;
- reviewing the remit of the Corporate Social Responsibility Committee.

The Internal Regulations were further amended at the meeting of the Board of Directors of 7 March 2019, on the back of the same work by the Board of Directors, to specify the powers of the Lead Independent Director as from the combining of the roles of Chairman of the Board of Directors and of Chief Executive Officer following the General Meeting of 27 May 2019.

The Internal Regulations were most recently amended at the 2 March 2020 meeting of the Board of Directors, to bring them into line with the provisions of Act no. 2019-486 of 22 May 2019 on business growth and transformation regarding Director remuneration.

The Directors' Charter lays down a number of rules, in particular relating to ethics, applicable to Directors in the performance of their duties. The Directors' Charter was not amended in the 2019 financial year.

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

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, via a secure electronic system.

During the meeting, a detailed presentation on the topics appearing on the agenda is made by the Chairman and Chief Executive Officer, the Chief Operating Officers or the Secretary 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 Lead Independent Director 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 individual or consolidated financial statements, on the basis of which the Statutory Auditors will prepare a report.

The representative of the Social and Economic Committee systematically receives notices of all meetings of the Board of Directors 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 tie.

Written minutes of the proceedings of meetings of the Board of Directors are prepared by the Secretary of the Board of Directors and are approved by the Board of Directors, usually at the next meeting.

The Internal Regulations of the Board of Directors authorise it to deliberate using any means of telecommunications, subject to the conditions and restrictions laid down in applicable laws and regulations.

Outside meetings, 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.

Powers and status of the Chairman of the Board of Directors

The Chairman of the Board of Directors, who must be a member of the Board of Directors, is appointed by the Board of Directors for the term of office set by it.

If the Chairman of the Board of Directors reaches the age of 65 when in office, he will remain in office until the end of his term of office; he may then be re-appointed once or more than once by the Board of Directors, but only for a total period of time that does not exceed a Director's term of office.

The Chairman of the Board of Directors organises and oversees the work of the Board of Directors, calls meetings of the Board of Directors and chairs them. He draws up agendas for meetings and ensures that the documentation supplied to the Directors prior to the meeting enables them to express opinions on the matters put to them in full knowledge of the facts. He also coordinates the work of the Board of Directors and its specialised Committees.

The Chairman of the Board of Directors also ensures the Company is governed efficiently and effectively, namely by ensuring that the Company's practices comply with the recommendations set out in the AFEP-MEDEF Code and, more generally, best corporate governance practices.

Lastly, in addition to organising and coordinating the work of the Board of Directors and its specialised Committees and ensuring the Company is effectively governed, the Chairman of the Board of Directors is also tasked, when the roles of Chairman of the Board of Directors and of Chief Executive Officer are split, with the following:

- representing the Company with regard to national and international professional organisations, in conjunction with the Chief Executive Officer;
- representing the Company in its dealings with public authorities, supervisory and regulatory authorities and the Group's main partners and shareholders, in conjunction with the Chief Executive Officer;
- speaking in the name and on behalf of the Board of Directors, in particular to the shareholders;
- ensuring that the strategic policies defined by the Board of Directors are correctly implemented;
- ensuring, in conjunction with the Audit, Accounts and Risks Committee, the effectiveness of the internal control system and, more specifically, the internal audit function; to that effect the Chairman of the Board of Directors shall be entitled to access internal audit reports at any time and may order internal audits, provided he first informs the Chief Executive Officer.

Role of the Lead Independent Director

In line with its decision to separate the roles of Chairman of the Board of Directors and of Chief Executive Officer with effect from 1 June 2016, the Board of Directors decided at its meeting of 1 March 2016 to create the role of Lead Independent Director within the Board of Directors and to appoint the Deputy Chairman as Lead Independent Director. The Internal Regulations of the Board of Directors were thus amended accordingly to clearly define the powers associated with each role.

Nevertheless, following on from the proceedings of the Board of Directors at its 5 March 2018 meeting, the Board of Directors decided to eliminate the role of Deputy Chairman of the Board of Directors as from the General Meeting of 30 May 2018, at which time the term of office as Director of Michel Bleitrach ended without him asking to be reappointed. The Board of Directors had, at the same meeting, decided to retain the position of Lead Independent Director, a decision confirmed at its meeting on 30 March 2018, when it decided to combine the roles of Chairman of the Board of Directors and of Chief Executive Officer following the General Meeting of 27 May 2019. The Board of Directors had nevertheless deferred the appointment of a successor to Michel Bleitrach in this position. The role of Lead Independent Director was entrusted to Pierre Bouchut by the meeting of the Board of Directors of 24 October 2018, to take effect from the combining of the roles of Chairman of the Board of Directors and of Chief Executive Officer following the General Meeting of 27 May 2019.

Under the most recent version of the Internal Regulations of the Board of Directors, amended 7 March 2019, the Lead Independent Director has the following main duties.

- With respect to monitoring the proper functioning of the Board of Directors, the Lead Independent Director tracks the proper functioning of the Company's governance bodies and is free to make any proposal or recommendations he sees fits. He ensures that Directors receive the information they need to carry out their duties in the best possible manner. He assists the Board of Directors and the Nomination, Remuneration and Governance Committee with the evaluation of the work of the Board of Directors, where necessary retaining an outside consultant.
- With respect to the organisation of the work of the Board of Directors and relations with Directors, the Lead Independent Director can ask the Chairman of the Board of Directors to call a meeting of the Board of Directors with a specific agenda. He may also ask the Chairman of the Board of Directors to add items to the agenda of any meeting of the Board of Directors. Where applicable, the Lead Independent Director shall:
  - coordinate the work of the independent Directors and, more broadly, where necessary, all work by Directors done in the absence of corporate officers;
  - represent, insofar as necessary, the Board of Directors, particularly vis-à-vis shareholders, on matters pertaining to his duties.

  The Lead Independent Director may participate in any meeting of any committee of the Board of Directors. He can access their work to the extent strictly necessary to carry out his duties, in agreement with the Chairman of the Committee in question.

  He is closely involved in the selection of Board members.
- Lastly, with respect to the prevention and management of conflicts of interest, the Lead Independent Director takes preventive measures, together with the Chairman of the Board of Directors, to raise awareness amongst corporate officers and other Board members regarding situations likely to give rise to conflicts of interest. He notifies the Board of Directors regarding any potential conflicts of interest involving Directors that were brought to his attention or of which he became aware and helps manage them.

Role of the Secretary of the Board of Directors

At its meeting of 1 March 2016 the Board of Directors decided to formalise the role of Secretary of the Board of Directors and include principles in the Internal Regulations of the Board of Directors governing the organisation of the role. At the same meeting it appointed Mickaël Renaudeau, the Company Secretary, as Secretary of the Board of Directors.

The Secretary of the Board of Directors, who may but need not be a member of the Board of Directors, performs all those tasks necessary for the smooth running of the Board of Directors, including the organisation of relations between the Company, the Directors and the Chairman of the Board of Directors. He ensures that resolutions adopted by the Board of Directors are valid and that it operates in compliance with applicable laws and regulations and the Memorandum and Articles of Association. He reports to the Chairman of the Board of Directors with regard to the performance of his duties.

Unless the various specialised Committees decide otherwise, the Secretary of the Board of Directors also acts as secretary for all specialised Committees created by the Board of Directors. He is responsible for drawing up minutes of meetings of the Board of Directors and minutes of meetings of its specialised Committees.

The Secretary of the Board of Directors assists the Chairman of the Board of Directors and the Chairmen of the specialised Committees in the organisation of the work of the Board of Directors and the specialised Committees, and in this connection:

- helps prepare the agendas and send notices of meetings to the members of the Board or its Committees;
- helps determine the timetable for meetings of the Board of Directors and specialised Committees;
- prepares and sends preparatory files for meetings of the Board of Directors and the specialised Committees, liaising with the Group's internal departments, verifying their quality and ensuring they are sent out in a timely manner;
- helps organise proceedings at meetings of the Board of Directors and specialised Committees;
- organises remote participation of Directors and facilitates the representation of absent members;
- manages the payment of Director remuneration.

Directors may seek the assistance of the Secretary of the Board of Directors for the performance of their duties, including their reporting obligations, in particular with regard to the market authorities, and to obtain clarifications concerning their obligations and duties.

The Secretary of the Board of Directors shall be authorised to certify all documents issued by the Board of Directors, including all minutes or excerpts from minutes of the meetings of the Board of Directors and any reports produced by the Board of Directors.

Principles of collegiality and confidentiality

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. Since the 2012 financial year, all decisions of the Board of Directors have been adopted unanimously by the voting Directors.

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

Over and above this duty of confidentiality and non-disclosure, which applies to all individuals attending meetings of the Board of Directors, 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.

Remit of the Board of Directors

The remit of the Board of Directors is determined by applicable laws and regulations, supplemented by the provisions of the Company's Memorandum and Articles of Association and the Internal Regulations of the Board of Directors.

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 duties. 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 General Meeting and within the limits of the Company's objects.

Meetings of the Board of Directors and work in 2019

Pursuant to the Internal Regulations of the Board of Directors, the Directors undertake to devote the necessary time and attention to their duties. When accepting a new office, they must ensure that they continue to be able to fulfil this commitment.

The Board of Directors met nine times in 2019, the same as in 2018. The average attendance rate of Directors at Board meetings was 95% during the financial year, compared with 92% in 2018[1]. The table below presents individual attendance rates for each Directors at the Board of Directors' and specialised Committees' meetings during the 2019 financial year:

	Board of Directors	Commitments Committee	Nomination, Remuneration and Governance Committee	Audit, Accounts and Risks Committee	Corporate Social Responsibility Committee
DIRECTORS IN OFFICE AS AT 31/12/2019					
Frédéric Moyne	100.00%	n/a	n/a	n/a	n/a
Jean-Carlos Angulo	100.00%	100.00%	n/a	n/a	100.00%
Pierre Bouchut	100.00%	n/a	100.00%	100.00%	n/a
Bpifrance Investment	88.89%	100.00%	100.00%	100.00%	n/a
Marie-Claire Daveu	100.00%	n/a	100.00%	n/a	100.00%
Frank Lacroix	80.00%	100.00%	n/a	100.00%	n/a
Florence Lambert	100.00%	n/a	n/a	n/a	100.00%
Ulrike Steinhorst	88.89%	n/a	100.00%	n/a	66.67%
DIRECTORS WHO CEASED TO HOLD OFFICE IN THE 2019 FINANCIAL YEAR					
Jacques Pétry	100.00%	n/a	n/a	n/a	n/a
Valérie Landon	100.00%	100.00%	n/a	100.00%	n/a

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 financial year to the total number of meetings held during the financial year and during the Director's term of office.

The independent Directors receive remuneration comprising a large variable component linked to their effective attendance at meetings of the Board of Directors and specialised Committees on which they sit (see additional information in Section 2.4.2.6 on pages 126 *et seq.* of this Universal Registration Document).

Strategic orientations and monitoring of implementation

At the 2019 annual seminar of the Board of Directors, at which it reviews implementation of strategy and adjusts medium and long-term strategic options, the Board confirmed the strategy implemented and validated:

- the Group's positioning, built around the development, construction and operation of medium power renewable energy production units that supply high-quality power underpinning the security and stability of the power grids and the organisation and improvement of the competitiveness of upstream agricultural sectors, and split into two business activities, biomass conversion and solar energy production as part of strategic complementarity;
- the three cornerstones of the strategy:
  - the contribution to the energy transition of the overseas departments and regions, which will be primarily underpinned by the conversion of the historic thermal plants to biomass;
  - the rolling out of the Group's expertise internationally with continued development in Brazil and the goal of expanding the Group's footprint to new regions and developing other forms of renewable energy;
  - the acceleration of the development of the photovoltaic sector.

The Board's work in the 2019 financial year was therefore focused on development, complementing the work of the Commitments Committee. More specifically, the Board worked on the following:

- the continued roll-out on Reunion Island (Albioma Bois-Rouge) of the biomass conversion programme for the coal units in the thermal plants operated in the Overseas departments, following the commitment in 2018 to convert tranche 3 at the Le Moule plant in Guadeloupe, and consequential opportunities surrounding the use of solid recovered fuel (SRF);
- the continued development of the Marie-Galante biomass plant project, which in 2018 gave rise to the signing of a memorandum of understanding between the main project stakeholders;
- the exploration of various possible acquisitions in the Thermal Biomass sector, in metropolitan France and in Central America;
- the examination of growth opportunities for the Group in Brazil;
- the development of the Solar Power business, the Board of Directors having repeatedly approved the Group's participation in calls for tenders by the Commission de Régulation de l'Énergie (French energy regulator) in metropolitan France and in the Overseas departments, and the continued expansion of the portfolio of roof-top projects with a unit capacity of under 100 KWp included within the scope of the mandatory purchase regime. The Board of Directors also worked on exploring other development opportunities in this sector in metropolitan France, Brazil and Mauritius;
- the development of the battery storage project with a capacity of 7.4 MW won by the Group in the first call for tenders by the Commission de Régulation de l'Énergie, enabling the Group to position itself in the grid services sector;
- the examination of development opportunities in the geothermal sector.

Monitoring of operating performances

The Board of Directors is kept regularly informed of ongoing operations, namely through a monthly reporting package sent to the Directors, and the systematic review of matters affecting business performance at the start of each meeting.

In this respect, the Board of Directors specifically focussed on the following in the 2019 financial year:

- the practicalities of the commissioning, at end-2019, of new smoke treatment installations resulting from the Group's compliance with the industrial emissions directive (IED);
- the post mortem on oversight, in particular budgetary and industrial, of the Galion 2 project in Martinique;
- the smooth running of the operations of the Galion 2 plant and of the Saint-Pierre combustion turbine plant, which respectively came on stream in 2018 and early 2019;
- the monitoring of a number of technical incidents affecting the thermal plants in the Overseas departments.

The Group's financial position, cash position and monitoring of commitments

The Board of Directors was kept regularly informed of the Group's financial position, namely in conjunction with the work of the Audit, Accounts and Risks Committee and via the monthly reporting package provided for Directors.

In 2019, the Board of Directors examined and approved the 2018 individual and consolidated financial statements with a view to their presentation to the General Meeting of 27 May 2019. It also reviewed and approved the consolidated financial statements for the first half of the 2019 financial year, and reviewed the results for the first and third quarters of the financial year, prior to the publication of each.

In line with its work on strategic matters, the Board of Directors reviewed and approved the 2020 budget and the business plan for 2021-2024. It also reviewed and approved the objectives for EBITDA and net income, Group share, presented to the market for the 2019 financial year.

The Board of Directors was also kept regularly informed of the Group's cash position and funding needs. The Group's ongoing investments led the Board of Directors to discuss various aspects of financing (financing of the capital expenditure for the biomass conversion and refinancing of the IED capital expenditure for tranche 3 at the Le Moule plant, refinancing of photovoltaic assets following the acquisition of Eneco France and financing of the construction in metropolitan France of a portfolio of small and medium capacity plant projects, refinancing of the Company's revolving credit facility, etc.).

The Board of Directors also kept a close eye on the authorised investment budgets, given the high level of current commitments.

Risk management and internal control

Alongside the work of the Audit, Accounts and Risks Committee, one of the tasks of the Board of Directors each year is to review the Group's risk mapping and its insurance cover. It may need to look at new risks identified by General Management, and define with it the appropriate action plans to ensure they are properly managed.

In addition to its general review of risks, the Board carefully monitored developments in a number of situations in terms of risk management, namely:

- oversight of actual investment budgets;
- compliance with regulatory deadlines applicable to the industrial commissioning of new smoke treatment installations, under the programme to bring the thermal plants in the French Overseas departments into line with the industrial emissions directive (IED);
- a deterioration in labour relations in the French overseas thermal plants;
- the position of the sugar partner of the Brazilian plant Albioma Rio Pardo Termoelétrica, in line with it having been put into receivership in 2018.

Human resources

The 2019 financial year saw sustained work by the Board of Directors on the roll-out of a talent management plan and a key man succession plan, in particular in the Industrial Department, restructured during the financial year and now headed up by a new Industrial Director.

Sustainable development

In conjunction with the work of the Corporate Social Responsibility Committee, in 2019 the Board of Directors regularly monitored the implementation of the Group's sustainable development policy.

The Board of Directors reviewed and approved the employment, environmental and social information published in the Registration Document for the 2018 financial year, as required by applicable laws and regulations.

In addition, the Board of Directors and the Corporate Social Responsibility Committee devoted much time and energy throughout the 2019 financial year to:

- ethics, the Board of Directors having finalised the Group's Code of Ethics in line with the Group's roll-out of an ambitious ethics and compliance programme;
- employee safety, 2019 seeing a sharp improvement in workplace accident frequency and severity rates, in line with the implementation of the safety master plan;
- the monitoring of commitments made by Group in its corporate social responsibility roadmap;
- the results of the Vigeo Eiris audit undertaken by the Group in 2019;
- the challenges, in terms of sustainable development, raised by the biomass conversion of the thermal plants in the French Overseas departments, in particular regarding the development of the local biomass industry and the importing of biomass.

Corporate governance

The 2019 financial year once again saw sustained effort by the Board of Directors on corporate governance with, firstly, changes in the membership of the Board of Directors that resulted in the latter examining various candidates for Director. This work concluded in:

- the presentation to the General Meeting of 27 May 2019 of Florence Lambert's nomination as Director to succeed Valérie Landon, whose term of office was to expire at that General Meeting and who had not asked to be reappointed. The General Meeting approved the proposal by a large majority;
- the co-opting, at the 27 May 2019 meeting of the Board of Directors held following the General Meeting, of Frank Lacroix as Director for the remainder of the term of office of Jacques Pétry, who had resigned. This provisional appointment is subject to ratification by the General Meeting of 29 May 2020 (see additional information in Section 7.2.1.7 on pages 291 *et seq*. of this Universal Registration Document).

These changes in the composition of the Board of Directors took place in tandem with the confirmation at its meeting on 27 May 2019 held following the General Meeting, of its decision, announced in 2018, to combine the roles of Chairman of the Board of Directors and of Chief Executive Officer at this time and to appoint Frédéric Moyne, who had been Chief Executive Officer since 1 June 2016, as Chairman of the Board of Directors thereby ending the handover period that began in 2016. Jacques Pétry thus handed the Board of Directors his resignation as Chairman of the Board of Directors and Director, this vacant position being filled by the co-option of Frank Lacroix as Director.

Following on from these decisions, the Board of Directors reviewed the composition of its specialised Committees and carried out sustained work to define the role and powers of the Lead Independent Director, a role it had entrusted to Pierre Bouchut at its 24 October 2018 meeting. These decisions gave rise to a series of amendments to the Internal Regulations of the Board of Directors (see additional information in Section 2.3.3.1 on page 92 of this Universal Registration Document) and an adjustment to how Directors split the overall sum allocated to them in remuneration, with a view to specifically remunerating the role of Lead Independent Director.

Early in the 2019 financial year, the Board of Directors carried out its annual review of the position of Directors in office as at 31 December 2018, looking at their independence and potential conflicts of interest that may arise during performance of their duties. A similar review was done prior to the appointment of Florence Lambert and Frank Lacroix as Director.

Lastly, as required by applicable laws and regulations, the Board of Directors specifically approved the content of the report of the Board of Directors on corporate governance for the 2018 financial year.

Remuneration of corporate officers and long-term incentive schemes for employees

In 2019, the Board of Directors assessed the Chief Executive Officer's performance in respect of the 2018 financial year, mainly for the purpose of determining the amount of the variable component of his remuneration in respect of said financial year, on the basis of the recommendations made by the Nomination, Remuneration and Governance Committee. In this regard, the Board of Directors verified that the AFEP-MEDEF Code's recommendation that shareholders are consulted concerning the remuneration owed or awarded to corporate officers for the past financial year was correctly applied. At the General Meeting of 27 May 2019, the shareholders voted by a considerable majority in favour of the remuneration, as presented (see additional information in Section 2.4.4 on page 133 of this Universal Registration Document).

The Board of Directors worked hard to determine the remuneration of Frédéric Moyne for the 2019 and subsequent financial years, against the background of the combining of the roles of Chairman of the Board of Directors and of Chief Executive Officer, confirmed by the meeting of the Board of Directors following the General Meeting of 27 May 2019. The Board of Directors thus approved a number of changes to the corporate officer remuneration policy, following an analysis that took account of market practices and a comparison of the Company's policy with a panel of comparable companies (see additional information in Section 2.4.2.1 on page 120 of this Universal Registration Document). These in particular resulted in a €350,000 increase in the fixed remuneration of the Chairman and Chief Executive Officer to the median of the aforementioned panel of comparable companies.

The principles in the remuneration policy for corporate officers for 2019 and subsequent financial years as approved by the Board of Directors were put to the General Meeting of 27 May 2019, as required by applicable laws and regulations, and were approved by a large majority (see additional information in Section 2.4.4 on page 133 of this Universal Registration Document).

The appointment of the Lead Independent Director, Pierre Bouchut, also led the Board of Directors to set the latter's remuneration (see additional information in Section 2.4.2.6 on page 12 of this Universal Registration Document).

The Board of Directors also worked on the ongoing implementation of the long-term incentive programme for the 2018-2020 period defined in 2018, as part of the authorisation to award bonus performance shares approved by the General Meeting of 30 May 2018, with the implementation of the second phase of this programme (see additional information in Section 6.4.3.1 on pages 270 *et seq.* of this Universal Registration Document).

The Board of Directors finally, during the 2019 financial year, on the recommendation of the Nomination, Remuneration and Governance Committee, recorded the partial achievement of the performance conditions set out in the regulations of the "2016 managers and administrative staff" and "2016 Brazil" bonus performance share plans (see additional information in Section 6.4.3.3 on page 273 of this Universal Registration Document).

Shareholder governance, relations with the financial community and share performance

The Board of Directors was regularly informed of changes to the shareholder structure (crossing of reporting thresholds, results of the initiatives to identify bearer shareholders) and the stock market performance. It received all the documents drawn up by financial analysts concerning the Company. It was also consulted with regard to the key financial information disclosed to the market and the main events disclosed more specifically for financial analysts and investors.

The Board of Directors was also involved in the preparation of the General Meeting of 27 May 2019 in addition to its preparation of the draft resolutions and associated report. The Board Directors reviewed the documents prepared for the discussions held with providers of voting recommendations services and institutional shareholders, who explained their positions regarding the more sensitive resolutions with the Board, prior to the General Meeting.

Work of the specialised Committees

The Commitments Committee

Remit

The remit of the Commitments Committee is determined by the Internal Regulations of the Board of Directors. The Commitments Committee is responsible for examining investments and, more generally, all current and future commitments that are material for the Group in terms of their amount, the level of associated risk or their coherence in view of the strategy approved by the Board of Directors, prior to authorisation by the Board. The Committee may also be asked to assess the advisability of strategic options, such as the penetration of new markets, withdrawal from a market or business sector, a divestment or a material disposal of assets.

When the Committee is asked to examine a project, it looks at the project's coherence in view of the strategy approved by the Board of Directors, its short- and medium-term profitability, potential risks if the project does (or does not) go ahead, sensitivity to said risks, the resulting commitments for the Group, financing terms and, more generally, any other facts it considers to be of relevance.

Membership and operating procedures

At 31 December 2019, the Commitments Committee was comprised of three Directors, two of whom were independent, including the Committee Chairman:

- Jean-Carlos Angulo, independent Director, Committee Chairman;
- Bpifrance Investissement, Director, represented in that capacity by Sébastien Moynot, Committee member;
- Frank Lacroix, independent Director, Committee member.

Frank Lacroix was appointed to the Commitments Committee when he was co-opted as Director on 27 May 2019. He thus succeeded Valérie Landon, whose term of office as Director expired following the General Meeting of 27 May 2019 without her asking to be reappointed. She also thus left her position on the Commitments Committee.

Except in exceptional circumstances, the Chairman and Chief Executive Officer is asked to attend Committee meetings. The Committee may also interview Directors and Chief Operating Officers, with or without the presence of the Chairman and Chief Executive Officer. In all other cases, it must request authorisation from the Chief Executive Officer before interviewing any senior managers in the Group. The dossiers are generally presented by the Chairman and Chief Executive Officer and the Chief Operating Officers, assisted, where applicable, by members of their teams responsible for the dossiers in question. The Secretary of the Board of Directors acts as Committee Secretary.

Meetings and work in 2019

In 2019, the Commitments Committee met four times, as compared to six times in 2018. The attendance rate of members at Committee meetings was 100% in the 2019 financial year, compared to 87% in 2018[1].

The Committee's work primarily consisted of reviewing various commitments and investments before being submitted to the Board of Directors. Topics they reviewed included:

- various development opportunities, in France and abroad, in the geothermal sector, identified by the Board of Directors as early as 2018 as a possible Group growth driver;
- possible acquisitions in Brazil in the Thermal Biomass business;
- the commitments resulting from the intensification of the Group's Solar Power business in metropolitan France and in the Overseas departments and territories, the financial year having seen the Group participate in various calls for tenders by the French energy regulator and the sustained expansion of the low capacity roof-top project portfolio within the scope of the mandatory purchase regime;
- possible acquisitions in the Solar Power business in metropolitan France, the Overseas departments, Brazil and Mauritius.

The Commitments Committee reported to the Board of Directors on all its work during the 2019 financial year.

Audit, Accounts and Risks Committee

Remit

The remit of the Audit, Accounts and Risks Committee is determined by the Internal Regulations of the Board of Directors. It complies 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 powers of the Board of Directors, regarding:

- the process for preparing 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 preparing the Group's financial statements and assessing 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.

Membership and operating procedures

At 31 December 2019, the Audit, Accounts and Risks Committee had three Directors, two of whom were independent Directors, including the Committee Chairman:

- Pierre Bouchut, independent Director, Lead Independent Director, Committee Chair;
- Bpifrance Investissement, Director, represented in that capacity by Sébastien Moynot, Committee member;
- Frank Lacroix, independent Director, Committee member.

Frank Lacroix was appointed to the Audit, Accounts and Risks Committee when he was co-opted as Director on 27 May 2019. He succeeded Valérie Landon, whose term of office as Director expired following the General Meeting of 27 May 2019 without her asking to be reappointed. She also thus left her position on the Audit, Accounts and Risks Committee.

Given their professional experience, all members of the Audit, Accounts and Risks Committee in office as at 31 December 2019 have proven specific capability in accounting and financial matters (see additional information in Section 2.3.2.1 on pages 82 *et seq.* of this Universal Registration Document).

Except in exceptional circumstances, the Chairman and Chief Executive Officer is asked to attend Committee meetings. It may also interview Directors, Chief Operating Officers, the heads of internal control and internal audit, and the external auditors of the Company and its subsidiaries, with or without the presence of the Chairman and Chief Executive Officer. It may also interview senior managers in the Group, subject to authorisation from the Chief Executive Officer.

The dossiers are generally presented by the Chief Financial Officer or the Chief Executive Officer, assisted, where applicable, by members of their teams responsible for the dossiers presented (and in particular by members of the internal audit function). The Statutory Auditors are invited to attend each Committee meeting, except for those that consider the renewal of their appointment and those that review the conditions

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 financial year to the total number of meetings held during the financial year and during the Director's term of office.*

under which they exercise their external audit duties and, more specifically, review their independence. The Secretary of the Board of Directors 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 key points from the past period, significant risks and off-balance sheet commitments of the Company.

Committee meetings regularly start with a discussion between Committee members and the Statutory Auditors, before the arrival of those key figures from within the Company who have been invited to attend.

Meetings and work in 2019

In 2019, the Audit, Accounts and Risks Committee met four times, i.e., the same as in 2018. The attendance rate of members at Committee meetings was 100% in the 2019 financial year, as in 2018 .

In anticipation of the approval of the parent company and consolidated financial statements for the 2018 financial year and the approval of the condensed consolidated financial statements for the first half of the 2019 financial year, the Committee reviewed significant events over the period, the main closing points, the key figures appearing in the financial statements, the cash position and the Group's level of debt. It paid particular attention to the main accounting options used by General Management, the results of the goodwill impairment tests and the provisions for liabilities and impairment. In this regard, the Committee heard the Statutory Auditors, who presented the findings of their audit or, as applicable, their limited review. The Committee also reviewed the objectives for EBITDA and net income, Group share, proposed by General Management, with a view to their presentation to the market.

The Committee also reviewed the quarterly results (Q1 and Q3 2019) prior to publication of the corresponding quarterly financial information.

In addition to examining the financial statements, the Committee also:

- conducted a detailed review of the Group's risk mapping, the main changes to its risk profile and associated risk management action plans, as well as the Group's insurance programme;
- monitored the internal audit function, the Committee's work having mainly consisted of ensuring the proper implementation of the action plans drawn up as a result of previous audits it had commissioned. It also examined the audit reports produced in connection with the 2019 audit plan (audit of IT system security, audit of the purchasing and expense claims process at the West Indies-French Guiana Solar Power business, post-construction audit of the Galion 2 plant and audit of the Albioma Esplanada Energia plant in Brazil), for which it had approved corrective action plans in conjunction with General Management and, lastly, drew up the 2020 internal audit plan.

The Audit, Accounts and Risks Committee reported to the Board of Directors on all its work during the 2019 financial year.

The Nomination, Remuneration and Governance Committee

Remit

The remit of the Nomination, Remuneration and Governance Committee is determined by the Internal Regulations of the Board of Directors. The Nomination, Remuneration and Governance Committee plays a key role in preparing the proceedings of the Board of Directors on governance and remuneration of executive and non-executive corporate officers.

The remit of the Nomination, Remuneration and Governance Committee was clarified by the Board of Directors at its 30 May 2018 meeting in particular to formalise its corporate governance role. As a result, the Committee's name was adjusted.

Its work calls for it to consider all matters affecting the membership of the Board of Directors and the position of Directors (selection of candidates, balance on the Board of Directors in terms of independence, skills and gender parity). The Committee also considers the remuneration of corporate officers and 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.

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 financial year to the total number of meetings held during the financial year and during the Director's term of office.

More generally, the Nomination, Remuneration and Governance Committee also reviews a range of problems 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's remit also encompasses employee savings schemes and long-term incentive schemes for employees (bonus performance share plans).

Membership and operating procedures

At 31 December 2019, the Nomination, Remuneration and Governance Committee had four Directors, three of whom were independent Directors, including the Committee Chairwoman:

- Ulrike Steinhorst, independent Director, Committee Chair;
- Pierre Bouchut, independent Director, Lead Independent Director, Committee member;
- Bpifrance Investissement, Director, Committee member, represented in this capacity by Sébastien Moynot;
- Marie-Claire Daveu, independent Director, Committee member.

The Committee's composition was not modified during the 2019 financial year.

As no employees are Board members, the Nomination, Remuneration and Governance Committee did not have any employee Directors as at 31 December 2019 (see additional information in Section 6.3.4 on page 262 of this Universal Registration Document).

Except in exceptional circumstances, the Chairman and Chief Executive Officer is asked to attend Committee meetings. However, he is not present when the Committee discusses his personal position. It may also interview Directors, Chief Operating Officers and the Human Resources Director, with or without the presence of the Chairman the Chief Executive Officer. In all other cases, it must request authorisation from the Chief Executive Officer before interviewing any senior managers in the Group.

The dossiers are generally presented by the Human Resources Director, the Company Secretary or the Chief Executive Officer, assisted, where applicable, by members of their teams responsible for the dossiers presented. The Secretary of the Board of Directors acts as Committee Secretary.

Meetings and work in 2019

In 2019, the Nomination, Remuneration and Governance Committee met twice, as compared to four times in 2018. The attendance rate of members at Committee meetings was 100%, as in 2018[1].

The Committee's key areas of work in 2019 included:

- the practicalities of the combination, following the General Meeting of 27 May 2019, of the roles of Chairman of the Board of Directors and of the Chief Executive Officer and the definition of the role and powers of the Lead Independent Director. This gave rise to a series of amendments to the Internal Regulations of the Board of Directors and to the Memorandum and Articles of Association, as well as the setting of his remuneration;
- the identification of candidates for appointment to the Board to ensure the succession of Valérie Landon and of Jacques Pétry following the General Meeting of 27 May 2019 and the composition of the specialised Committees of the Board of Directors as a result of these changes, giving rise to the appointment of Florence Lambert and of Frank Lacroix as Directors;
- the remuneration of corporate officers (review of performance and of the components of the variable remuneration of the Chief Executive Officer in respect of the 2018 financial year, the remuneration policy for corporate officers for the 2019 financial year, the structure of the variable remuneration of the Chief Executive Officer – subsequently the Chairman and Chief Executive Officer – for the 2019 financial year and the setting of his objectives), in particular in light of the combination, following the General Meeting of 27 May 2019, of the roles of Chairman of the Board of Directors and of Chief Executive Officer, which notably resulted in an adjustment to the fixed remuneration of the Chairman and Chief Executive Officer;
- the review of the succession plan for corporate officers and the Group's senior management, the Committee having, during the financial year, particularly monitored the development by Senior Management of a talent management plan and a key man succession plan;
- the continued implementation of the long-term incentive programme for staff authorised by the General Meeting of 30 May 2018 (see additional information in Section 6.4 on pages 267 *et seq.* of this Universal Registration Document).

The Nomination, Remuneration and Governance Committee reported to the Board of Directors on all its work during the 2019 financial year.

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 financial year to the total number of meetings held during the financial year and during the Director's term of office.

Corporate Social Responsibility Committee

Remit

The remit of the Corporate Social Responsibility Committee is determined by the Internal Regulations of the Board of Directors. The remit of the Corporate Social Responsibility Committee was clarified by the Board of Directors at its 30 May 2018 meeting to refocus its work on reviewing strategic issues from a sustainable development perspective, in addition to monitoring the Group's non-financial performance. The Committee is thus tasked with evaluating the Group's corporate social responsibility strategy and policy, monitoring the programmes implemented and the priority actions taken in this respect and reviewing the results, examining key opportunities and the Group's main social and environmental risks with respect to issues inherent to its strategy and activities, examining the Group's non-financial performance and reviewing the information published by the Group in this respect, and finally monitoring the application of the ethics rules defined by the Group.

Membership and operating procedures

As at 31 December 2019, the Corporate Social Responsibility Committee had four Directors, all of whom are independent:

- Marie-Claire Daveu, independent Director, Committee Chair;
- Jean-Carlos Angulo, independent Director, Committee member;
- Florence Lambert, independent Director, Committee Member;
- Ulrike Steinhorst, independent Director, Committee Member;

Florence Lambert was appointed to the Corporate Social Responsibility Committee by the Board of Directors at its 27 May 2019 meeting, following her appointment as a Director, approved by the General Meeting of 27 May 2019.

Except in exceptional circumstances, the Chairman and Chief Executive Officer is asked to attend Committee meetings. The Committee may also interview Directors and Chief Operating Officers, with or without the presence of the Chairman and Chief Executive Officer. It may also interview senior managers in the Group, subject to authorisation from the Chief Executive Officer.

The dossiers are generally presented by CSR and Environment Director or the Chief Executive Officer, assisted, where applicable, by members of their teams responsible for the dossiers presented. The Secretary of the Board of Directors acts as Committee Secretary.

Meetings and work in 2019

The Corporate Social Responsibility Committee met three times in 2019, compared with three times in 2018. The attendance rate of members at Committee meetings was 91.67% in the 2019 financial year, compared to 100% in 2018[1].

In the 2019 financial year, the Committee's work mainly involved:

- reviewing the Group's non-financial performance in 2018, prior to the publication of the employment, environmental and social information in the 2018 Registration Document;
- the roll-out of the CSR roadmap, the Committee having particularly focussed on defining the top priority actions for the 2019 financial year;
- employee safety, the Committee having closely monitored the implementation of the safety master plan that began in 2018;
- in conjunction with the Nomination, Remuneration and Governance Committee, defining quantitative non-financial indicators applying to the Chief Executive Officer to determine his variable remuneration for the 2019 financial year;
- monitoring environmental regulatory compliance;
- the challenges associated with recovering the by-products of biomass combustion stemming from the recent commissioning of the Galion 2 plant in Martinique and ahead of the implementation of the programme to convert the Group's French thermal plants to biomass;
- the regionalisation challenges associated with the biomass fuel imported into the Overseas departments and the development of local biomass supply chains;
- the incorporation of biodiversity considerations into project development.

The Corporate Social Responsibility Committee reported to the Board of Directors on all its work during the 2019 financial year.

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 financial year to the total number of meetings held during the financial year and during the Director's term of office.

2.3.3.2. 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 Internal Regulations of the Board of Directors, 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.

Following a proposal by the Chairman of the Board of Directors, the assessment at the start of the 2018 financial year was entrusted to an external consultant (HS Conseil), to allow the Board of Directors to carry out an in-depth assessment of its functioning at the end of the transitional period following the switch from a singular to a separated governance method. Given the significant changes in the Group's governance in the 2019 financial year (in particular the combining of the roles of Chairman of the Board of Directors and Chief Executive Officer and the corresponding changes in the composition of the Board of Directors), the Board of Directors elected to delay the next assessment of its functioning to its meeting of 27 April 2020.

Consideration of the findings of the assessment carried out by an external consultant in 2018

The assessment carried out by an external consultant in 2018 highlighted the excellent quality of the Company's governance practices and the strong commitment of both the members of the Board of Directors and its Chairman to the effective functioning of the Board of Directors. Alongside the external assessment, the Board of Directors, working in close collaboration with General Management, looked closely at how to further improve the efficiency of the Board and its specialised Committees. Various areas for improvement were identified. They continued to be implemented during the 2019 financial year.

- An in-depth review of the respective roles of the Commitments Committee, the Nomination and Remuneration Committee (renamed the Nomination, Remuneration and Governance Committee as part of this and the Corporate Social Responsibility Committee, and their interaction with the Board of Directors, was carried out. The following action was taken in this regard:
  - refocusing the agendas of Commitments Committee meetings on material commitments key to the strategy approved by the Board of Directors, to allow the latter to be consulted upfront on strategic opportunities and or new strategic priorities it feels should first be examined by the full Board, which could then ask the Commitments Committee to examine in detail projects corresponding to strategic priorities thus approved by the Board;
  - the formalisation of the role of the Nomination and Remuneration Committee (since renamed the Nomination, Remuneration and Governance Committee) as regards governance and the clarification of some of its responsibilities;
  - the role of the Corporate Social Responsibility Committee was clarified. It will henceforth focus more specifically on reviewing strategic issues from a sustainable development angle (in addition to reviewing the Group's non-financial performance).
- To facilitate this work, the Secretary of the Board of Directors has produced a management chart detailing the agendas of the various meetings planned throughout the financial year. This serves as a work programme for the Board of Directors and its specialised Committees, and is also used to monitor implementation of their decisions and recommendations. As requested by the Board of Directors and the Chairs of the specialised Committees, minutes of meetings now indicate exact timings. Other work (creation of standard summary documents, earlier deadlines for circulation of preparatory documents prior to meetings) was also carried out during the 2018 and 2019 financial years to improve planning on the work of the Board of Directors and the effectiveness of its decision-making processes.
- Lastly, the Board of Directors and General Management have agreed that, in addition to the Board's annual strategic seminar, time will be set aside to review strategy, risks and the allocation of resources over the medium and long-term, with the aim of freeing up meetings of the Board of Directors so that members can focus on defining strategic orientations, authorising major external growth projects, internal transactions and development projects, and reviewing market trends, the state of competition and the main challenges facing the Group.

Findings of the 2020 self-assessment

At its 27 April 2020 meeting, the Board of Directors assessed its functioning on the basis of a self-assessment process coordinated for the first time by the Lead Independent Director and the Chairwoman of the Nomination, Remuneration and Governance Committee. On the basis of their report, the Board of Directors thus identified new areas for improvement in its functioning in the context of an action plan coordinated by the Secretary of the Board of Directors overseen by the Lead Independent Director and the Board of Directors.

The assessment thus found:

- that Directors had a very positive view regarding the functioning of the Board of Directors, which had become more efficient. It found that meetings add run professionally and provide room for discussion, that the Board of Directors perfectly fulfilled its function vis-à-vis General Management, the assessment nevertheless identifying a desire amongst the Board of Directors to take a more strategic view on a certain number of longer-term structural issues;
- a good blend of skill-sets, backgrounds and personalities on the Board of Directors, each Director making an interesting and constructive contribution;
- a high level of quality and transparency in the information provided to the Board of Directors, in particular as regards the strategy, the assessment having nevertheless unearthed a certain number of areas in which Directors want further information;
- a good definition of the work entrusted to the specialised Committees of the Board of Directors;
- a warm welcome and good induction for new Directors;
- a good implementation of the role of Lead Independent Director, whose dealings with the Board of Directors and General Management were felt to be good, the assessment indicating a desire amongst Directors for non-executive sessions chaired by the Lead Independent Director to be put on a more systematic basis.

Based on these findings, the following main areas for improvement were identified with a resulting action plan being drawn up and implemented from early 2020:

- diving a little deeper on strategic matters, by setting aside more time for substantive strategic discussions by the Board of Directors, and by reconsidering the format of the annual strategic seminar in order to better share the long-term vision of General Management. This area for improvement will also provide an opportunity to explore structural matters relating, for example, to the competitive landscape or technological developments in the Group's businesses;
- more systematic organisation of visits to industrial facilities;
- broadening of the number and level of internal participants at presentations to the Board of Directors;
- implementation of acquisition monitoring (feedback and *post mortem*);
- running of non-executive sessions chaired by the Lead Independent Director.

2.3.3.3. Full text of the Internal Regulations of the Board of Directors updated on 2 March 2020

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 laws, regulations and the Memorandum and Articles of Association and clarify 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.

In the absence of details, the provisions applicable to the Chairman of the Board of Directors and the Chief Executive Officer when these roles are split apply in exactly the same way when these roles are combined to the Chairman and 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. This means that they are not binding on third parties. Shareholders will be informed thereof in the Company's Registration Document report and on the Company's website.

It may be amended by a decision of the Board of Directors.

1. Membership of the Board of Directors

The Board of Directors shall have at least three members and no more than twelve members, subject to laws governing mergers. To the extent possible, a majority 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 judgement. 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 to them (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 membership. Once a year, it shall assess its operation, assisted by an external consultant if need be. The findings of this assessment shall be recorded in writing at least every three years.

It shall meet once a year without the Company's internal Directors (i.e. those who are employees or corporate officers of the Company or in the Group) to assess the performance of the Chairman and Chief Executive Officer, if the roles of Chairman of the Board of Directors and of Chief Executive Officer are combined, or the performance of both the Chairman and the Chief Executive Officer, if these roles are separated.

2. Powers of the Board of Directors

The Board of Directors is the Company's primary decision-making and control body. Its powers, exercised subject to the powers reserved for the General Meeting, include in particular:

- determining the strategic business policies of the Company and its Group, and ensuring they are carried out;
- authorising the furnishing of sureties, pledges and guarantees;
- authorising so-called 'related-party' agreements and undertakings before they are concluded, in accordance with applicable laws and regulations and the Memorandum and Articles of Association;
- preparing and approving the parent company and consolidated financial statements, as well as half-yearly financial statements;
- reviewing interim management documents;
- authorising all major investments, with the exception of capital expenditure for maintenance work, necessary for industrial projects or proposed acquisitions during the year and, if applicable, the financing thereof;
- authorising all capital expenditure for maintenance work that entails immediate or future commitments that significantly exceed the amounts budgeted therefor, as stated in the budget approved by the Board of Directors;
- authorising all significant sales or contributions of assets;

- more generally, authorising any significant transaction that is not part of the strategy approved by the Board of Directors or that entails immediate or future commitments that significantly exceed the budget approved by the Board of Directors;
- studying all proposed merger, spin-off or contribution transactions;
- setting the remuneration of the Chairman and Chief Executive Officer;
- creating Committees charged with studying issues that the Board itself or its Chairman submits for their review and opinion.

As a general rule, the Board of Directors shall consider all matters necessary for the smooth running of the Company and its Group and shall carry out any controls and checks it considers necessary.

The Board of Directors shall review and approve the information published in the Company's Registration Document 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 per year, at the registered office or any other place specified in the notice of meeting. Once every financial year, the Directors shall meet prior to the approval of the annual budget and the medium-term business plan in order to review the strategic business policies.

Meetings are called by the Chairman or, in the event of the temporary or permanent incapacity of the latter, by the Lead Independent Director.

In any event, meetings of the Board of Directors may be called by half of its members.

Notices of meetings are given by any means, including orally, in principle at least 48 hours before the meeting of the Board of Directors, except in the event of an emergency.

3.2. Information provided to Directors

The Chairman, or the Chief Executive Officer if requested by the Chairman, 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 meeting of the Board of Directors, 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.

At the start of each meeting of the Board of Directors, the Chief Executive Officer makes a general comment about employee safety and business performance, reviewing the main events that have occurred since the previous meeting of the Board of Directors in light of the Group's strategy and the main risks to which it is or may be exposed.

Between meetings of the Board of Directors, the Board Secretary shall provide the Directors with monthly reports prepared by the Administrative and Finance Department under the responsibility of the Chief Executive Officer.

Directors shall also regularly receive all important information concerning the Company and its Group, and shall be informed of any event or change that significantly affects the transactions or information previously reported to the Board. In addition, 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 main managers, if appropriate without the presence of the Chairman of the Board of Directors and the Chief Executive Officer, provided they submit a request for such meeting to the Chairman of the Board of Directors, who will inform the Chief Executive Officer thereof.

3.3. Proxies

All Directors may be represented by another Director at a specific meeting. Proxies must be appointed in writing, which may include by email. Each Director may only represent one other Director at any given meeting.

The foregoing provisions apply to the permanent representative of a legal entity that is a Director.

3.4. Proceedings

Proceedings 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 appointed as a proxy by a fellow Board member shall hold two votes.

Meetings are chaired by the Chairman of the Board of Directors, except in the following scenarios when the Lead Independent Director is tasked with this responsibility:

- proceedings for which the Chairman is absent;
- proceedings in which the Chairman does not participate and does not vote;
- the Chairman's absence;
- the Chairman is temporarily or permanently precluded.

Should the Lead Independent Director be in one of the above situations, the meeting will be chaired by a Director specially appointed to this end by Board members attending the meeting.

In the event of a tie, the chairman of the meeting shall have the casting vote.

3.5. Participation at meetings by video-conferencing or other means of telecommunication

For the purposes of calculating the quorum and majority, Directors who participate in meetings of the Board of Directors by video-conferencing 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.

- Video-conferencing systems or other means of telecommunication may be used at all meetings of the Board of Directors. However, in accordance with the provisions of Article L. 225-37 (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 proceedings commence, it must be ensured there are no third parties, microphones or any other item that would impinge on the confidential nature of proceedings.
- Each participant must be able to speak and to hear what is said.
- The video-conferencing system or other means of telecommunication used must have technical features enabling them to continuously and simultaneously retransmit the proceedings so as to enable Directors to actually take part in the Board's proceedings.

In the event the chairman of the meeting notes a malfunction of the video conference 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.

3.6. Attendance sheets

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

3.7. Minutes

Proceedings of the Board of Directors shall be recorded in minutes kept in a special register maintained in accordance with laws and regulations 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, those who sent their apologies and those who are absent. The minutes shall record the presence or absence of any other persons who were given notice of the meeting of the Board of Directors and the presence of any other person who attended all or part of the meeting.

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

If applicable, the minutes shall record any dissenting opinions expressed by the Directors.

Copies or extracts of minutes may be validly certified true 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. Chairman of the Board of Directors

The Chairman of the Board of Directors shall organise and oversee the work of the Board of Directors. When he calls a meeting of the Board of Directors, he shall draw up the agenda for the meeting with the assistance of the Chief Executive Officer. He shall ensure that the documentation supplied to the Directors prior to the meeting enables them to express opinions on the matters put to them in full knowledge of the facts.

The Chairman of the Board of Directors shall coordinate the work of the Board of Directors and that of its Committees.

The Chairman of the Board of Directors shall ensure the Company is governed efficiently and effectively, and shall more specifically ensure that the Company's practices comply with the recommendations set out in the AFEP-MEDEF Code and, more generally, best corporate governance practices.

Moreover, when the roles of Chairman of the Board of Directors and of Chief Executive Officer are split, the Chairman of the Board of Directors is tasked with:

- representing the Company with regard to national and international professional organisations, in conjunction with the Chief Executive Officer;

- representing the Company in its dealings with public authorities, supervisory and regulatory authorities and the Group's main partners and shareholders, in conjunction with the Chief Executive Officer;
- speaking in the name and on behalf of the Board of Directors, in particular to the shareholders;
- ensuring that the strategic policies defined by the Board of Directors are correctly implemented;
- ensuring, in conjunction with the Audit, Accounts and Risks Committee, the effectiveness of the internal control system and, more specifically, the internal audit function; to that effect the Chairman of the Board of Directors shall be entitled to access internal audit reports at any time and may order internal audits, provided he first informs the Chief Executive Officer.

For the purpose of the above duties:

- the Chief Executive Officer shall provide the Chairman of the Board of Directors with regularly updated information on the Group's affairs, the implementation of its strategy and the main investment projects;
- whenever he deems this necessary, the Chairman of the Board of Directors shall be entitled to obtain from the Chief Executive Officer any information that might shed light on the works of the Board of Directors and its Committees;
- the Chief Executive Officer may seek the opinion of the Chairman of the Board of Directors on any topic, including in particular strategy, communication and governance;
- the Chief Executive Officer shall systematically consult the Chairman of the Board of Directors with regard to the definition of strategic business policies before they are put to the Board of Directors for approval.

5. Lead Independent Director

5.1. Appointment of the Lead Independent Director

In the absence of the splitting of the roles of Chairman of the Board of Directors and of Chief Executive Officer, the Board of Directors appoints a Lead Independent Director from amongst the independent Directors. The Lead Independent Director is appointed for the term of office as Director. He may be re-elected. The Chairman of the Board of Directors may not be the Lead Independent Director.

5.2. Duties of the Lead Independent Director

5.2.1. Monitoring the proper functioning of the Board of Directors

The Lead Independent Director tracks the proper functioning of the Company's governance bodies and is free to make any proposal or recommendations he sees fits.

He ensures that Directors receive the information they need to carry out their duties in the best possible manner.

He assists the Board of Directors and the Nomination, Remuneration and Governance Committee with the evaluation of the work of the Board of Directors, where necessary retaining an outside consultant.

5.2.2. Organisation of the work of the Board of Directors and relations with Directors

The Lead Independent Director may ask the Chairman of the Board of Directors to call a meeting of the Board of Directors with a specific agenda.

He may also ask the Chairman of the Board of Directors to add items to the agenda of any meeting of the Board of Directors.

Where applicable, the Lead Independent Director shall:

- coordinate the work of the independent Directors and, more broadly, where necessary, all work by Directors done in the absence of corporate officers;
- represent, insofar as necessary, the Board of Directors, particularly vis-à-vis shareholders, on matters pertaining to his duties.

The Lead Independent Director may participate in any meeting of any Board committee. He can access their work to the extent strictly necessary to carry out his duties, in agreement with the Chairman of the Committee in question.

He is closely involved in the selection of Board members.

5.2.3. Prevention and management of conflicts of interests

The Lead Independent Director takes preventive measures, together with the Chairman of the Board of Directors, to raise awareness amongst corporate officers and other Board members regarding situations likely to give rise to conflicts of interest.

He notifies the Board of Directors regarding any potential conflicts of interest involving Directors that were brought to his attention or of which he became aware and helps manage them.

6. The Secretary of the Board of Directors

The Secretary of the Board of Directors, who may but need not be a member of the Board of Directors, shall perform all those tasks necessary for the smooth running of the Board of Directors, including the organisation of relations between the Company, the Directors and the Chairman of the Board of Directors. He shall ensure that resolutions adopted by the Board of Directors are valid and that it operates in compliance with applicable laws and regulations and the Memorandum and Articles of Association. In the performance of his duties, he shall report to the Chairman of the Board of Directors.

Unless the various specialised Committees decide otherwise, the Secretary of the Board of Directors shall also act as secretary for all specialised Committees created by the Board of Directors. He shall be responsible for drawing up minutes of meetings of the Board of Directors and minutes of meetings of the specialised Committees.

The Secretary of the Board of Directors shall assist the Chairman of the Board of Directors and the chairmen of the specialised Committees in the organisation of the work of the Board of Directors and the specialised Committees, and in this respect shall:

- help prepare the agendas and send notices of meetings to the members of the Board or specialised Committees;
- help determine the timetable for meetings of the Board of Directors and specialised Committees;
- prepare and send preparatory files for meetings of the Board of Directors and the specialised Committees, liaising with the Group's internal departments, verifying their quality and ensuring they are sent out in a timely manner;
- help organise proceedings at meetings of the Board of Directors and specialised Committees;
- organise their remote participation and facilitate their representation of absent members;
- manages the payment of Director remuneration.

Directors may seek the assistance of the Secretary of the Board of Directors for the performance of their duties, including their reporting obligations, in particular with regard to the market authorities, and to obtain clarifications concerning their obligations and duties.

The Secretary of the Board of Directors shall be authorised to certify all documents issued by the Board of Directors, including all minutes or excerpts from minutes of the meetings of the Board of Directors and any reports produced by the Board of Directors.

7. Committees of the Board of Directors

The Board of Directors may set up Committees comprised of Directors, or managers, or of both Directors and managers of the Company. Committee members, who shall be appointed by the Board of Directors, shall be tasked with studying the matters that the Board or its Chairman submit for their review.

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

- the Audit, Accounts and Risks Committee;
- the Nomination, Remuneration and Governance Committee;
- the Commitments Committee;
- the Corporate Social Responsibility Committee.

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

The Committees have a purely consultative role. The Board of Directors shall have full discretion to decide on any action to be taken on 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 membership of these Committees may be modified at any time by a decision of the Board.

8. Audit, Accounts and Risks Committee

8.1. Membership

The Audit, Accounts and Risks Committee shall have at least two Directors. At least two-thirds of the Committee's members must be independent Directors.

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

The Committee shall not include any corporate officers of the Company.

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

8.2. Operating procedures

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

The agenda for Committee meetings shall be prepared under the responsibility of its chairman, in collaboration with the Chairman of the Board of Directors and the Chief Executive Officer.

The Committee shall receive all items, documents and information necessary for the performance of its duties.

The Committee may interview the Chairman of the Board of Directors and the Chief Executive Officer, and its chairman may invite them to its meetings. It may also interview, with or without the presence of the Chairman of the Board of Directors and the Chief Executive Officer, the Directors, the Chief Operating Officers, the heads of internal control and internal audit, and the external auditors of the Company and its subsidiaries. In all other cases, it must request authorisation from the Chief Executive Officer before interviewing any senior managers in the Group.

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

The Committee shall report on the performance of its duties to the Board of Directors, in particular through 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 and record any dissenting opinions expressed by its members.

8.3. 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 proceedings of the Board of Directors by monitoring the matters listed below.

The Committee shall report on the performance of its duties to the Board of Directors, in particular through briefings provided by its chairman and by providing Directors with the minutes of its meetings, which shall state whether its members were present or absent and record any dissenting opinions expressed by members.

8.3.1. Monitoring the process for preparing financial information

The Audit, Accounts and Risks Committee monitors the process for preparing financial information. To that end, it receives all relevant information on the financial position, financial policy and financial strategy of the Company and its subsidiaries, and on the procedures used to prepare, collect, analyse and verify accounting and financial information; it also reviews communications of the Company and its subsidiaries on accounting and financial matters.

It considers 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. More specifically, it reviews the conformity of accounting valuations and choices made with the applicable accounting standards, verifying the accuracy, transparency, clarity and consistency over time of the financial information.

8.3.2. Monitoring the effectiveness of internal control and risk management systems

The Audit, Accounts and Risks Committee shall review the organisation of the internal control systems and ensure the application of the internal control procedures in force within the Company and its subsidiaries. It shall review the work and analyses carried out in this respect and, in particular, the reports issued by the internal audit function.

It shall review the procedures used to identify and monitor risks and, more generally, monitor the risks identified, their classification and the prevention and action plans drawn up by General Management with the aim of managing said risks.

It shall review the content of the report of the Board of Directors on corporate governance drawn up in accordance with Article L. 225-37 of the French Commercial Code on the internal control and risk management procedures implemented within the Company.

8.3.3. Monitoring the annual and half-yearly financial statements and quarterly financial information

For the purposes of preparing the Company's annual and consolidated financial statements and the quarterly financial information, the Audit, Accounts and Risks Committee receives all relevant information on the consolidation scope, and the accounting methods and control procedures used.

It reviews these financial statements and, in particular, analyses provisions, risks and significant off-balance sheet commitments. It receives all relevant information on accounting positions taken when recording significant transactions, and reviews major transactions that may have resulted in a conflict of interests.

In this context, it shall carry out a preliminary review of the draft accounting documents presented to the Board of Directors and issue for its attention recommendations as to whether said documents should be approved.

8.3.4. Monitoring the conditions for exercise of the duties of the external auditors

The Audit, Accounts and Risks Committee supervises the procedure for selecting or reappointing Statutory Auditors; it determines whether there is a need to call for tenders, in accordance with applicable laws and regulations.

It reviews the manner in which they perform their audit duties and monitors their audit or review of the Company's financial statements.

It verifies the independence of the Statutory Auditors; to that end, it receives all relevant information on fees paid to them and the members of their networks, and also receives the Statutory Auditors' updated declarations of independence. It shall be responsible, in accordance with the terms laid down by the Board of Directors and with applicable laws and regulations, for giving prior approval in respect of any services provided other than the certification of the financial statements by the Statutory Auditors and the members of their networks, following an analysis of the risks to their independence in the event such services are provided.

9. The Nomination, Remuneration and Governance Committee

9.1. Membership

The Nomination, Remuneration and Governance Committee shall have at least two and not more than five Directors. At least half of its members must be independent Directors.

No corporate officer may sit on the Committee. However, the Chairman of the Board of Directors and the Chief Executive Officer shall collaborate closely with it.

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

9.2. Operating procedures

The Nomination, Remuneration and Governance Committee shall meet before each meeting of the Board of Directors at which matters falling within its remit are to be discussed, and in any event at least three times a year, including once before meetings of the Board of Directors at which the performance of corporate officers over the previous financial year is to be reviewed and their remuneration for the current financial year is to be determined.

The agenda for Committee meetings shall be prepared under the responsibility of its chairman, in collaboration with the Chairman of the Board of Directors and the Chief Executive Officer.

The Committee may interview the Chairman of the Board of Directors and the Chief Executive Officer, and its chairman may invite them to its meetings. They shall not attend Committee meetings at which their personal situations will be discussed. It may also interview, with or without the presence of the Chairman of the Board of Directors and the Chief Executive Officer, the Directors, the Chief Operating Officers and the Human Resources Director. In all other cases, it must request authorisation from the Chief Executive Officer before interviewing any senior managers in the Group.

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

The Committee shall report on the performance of its duties to the Board of Directors, in particular through 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 and record any dissenting opinions expressed by its members. A summary of the Committee's findings and recommendations shall be presented by its chairman for discussion and decision-making at the next meeting of the Board of Directors.

9.3. Powers

9.3.1. As regards remuneration

The Committee's duties are to:

- review the performance and all the components of remuneration, including the awarding of options to subscribe and/or purchase shares and the awarding of bonus shares or any other means of deferred remuneration, pension benefits, benefits in kind and, in general, the employment conditions, of the Chairman of the Board of Directors and the Chief Executive Officer, as well as any other corporate officer, and make recommendations on such matters to the Board of Directors;
- review the remuneration and pension policy applicable to senior managers and, in particular, to the Executive Committee;
- review the proposals of General Management regarding awards of bonus shares and other share-based incentive schemes benefiting the Group's employees and propose their awarding to the Board;
- propose to the Board rules for allocating the remuneration and the individual amounts to be paid to the Directors in this respect, based on their duties and actual attendance at Board and Committee meetings;
- propose to the Board a total amount of remuneration, which will be proposed to the Company's General Meeting;
- review proposed capital increases reserved for employees;
- review the documents intended for shareholders as part of the procedures for approval by the General Meeting of the components of remuneration due or awarded to corporate officers and the remuneration policy;
- review any matter submitted to it by the Chairman of the Board of Directors relating to the above matters.

9.3.2. As regards nominations and governance

The Committee's duties are to:

- concerning the Board of Directors:
  - make proposals to the Board regarding the reappointment or nomination of Directors. The Committee shall look for new members based on its needs assessment and the assessment made by the Board, and taking into account the principle of balanced representation on the Board, such as gender balance, nationality, international experience, market or business expertise, working or retired, etc.;

- nominate a Lead Independent Director to the Board in the scenarios provided for in the Internal Regulations;
- make proposals to the Board regarding the creation and membership of the Board's Committees;
- periodically assess the structure, size and membership of the Board and submit recommendations to it regarding possible changes;
- periodically review the criteria applied by the Board to classify a Director as independent; once a year, it shall review each Director's situation on a case-by-case basis according to the criteria applied, and make proposals to the Board;

▪ concerning the Chairman of the Board of Directors and the Chief Executive Officer:

- consider, as necessary and particularly at the end of the term of office, the advisability of renewing the term of office of the Chairman and the Chief Executive Officer;
- review changes in their duties and, where applicable, provide for reappointment solutions;
- review the succession plan for corporate officers (including any Chief Operating Officers) applicable, in particular, in case of an unforeseen vacancy;
- more generally, be kept informed by the Chief Executive Officer of anticipated changes in management resources (particularly the Executive Committee);

▪ concerning governance:

- review, at the time of reappointment of the Chairman and the Chief Executive Officer or when a request along these lines is made by Directors, whether it is appropriate to keep the roles separate or combine them;
- review changes in the corporate governance rules, particularly within the framework of the corporate governance guidelines applied by the Company, and inform the Board of its findings;
- monitor the application of the corporate governance rules defined by the Board and ensure that information is given to shareholders in this regard;
- prepare for the assessment of the Board's operation as provided in the Internal Regulations.

10. Commitments Committee

10.1. Membership

The Commitments Committee shall have at least two Directors. No corporate officer may sit on the Committee.

The Committee shall be chaired by one of its members, appointed by the Board of Directors.

10.2. Operating procedures

The Commitments Committee shall meet before every meeting of the Board of Directors at which matters falling within its remit are to be discussed. The Commitments Committee may meet at any other time to make recommendations to General Management concerning any matters falling within its remit.

The agenda for Committee meetings shall be prepared under the responsibility of its chairman, in collaboration with the Chairman of the Board of Directors and the Chief Executive Officer.

The Committee may interview the Chairman of the Board of Directors and the Chief Executive Officer, and its chairman may invite them to its meetings. It may also interview, with or without the presence of the Chairman of the Board of Directors and the Chief Executive Officer, the Directors and the Chief Operating Officers. In all other cases, it must request authorisation from the Chief Executive Officer before interviewing any senior managers in the Group.

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

10.3. Powers

The Commitments Committee shall be responsible for reviewing immediate or future commitments of a material nature for the Group in view of their amount, the associated risks or their compatibility with the strategy approved by the Board of Directors, prior to authorisation by the Board. Matters are referred to the Committee only when the above commitments are in line with the strategy approved by the Board of Directors or result from a strategic opportunity that was previously approved in principle by the Board of Directors.

Whenever a project is referred to the Committee, it shall consider its compatibility with the strategy approved by the Board of Directors, its short- and medium-term profitability, the associated risks if the project goes ahead (or does not go ahead), sensitivity to such risks, the level of resulting commitments for the Group, the terms of financing and, more generally, any other facts it considers relevant.

It shall make observations, give opinions and make recommendations to the Board of Directors on all matters referred to it.

The Committee shall report on the performance of its duties to the Board of Directors, in particular through briefings provided by its chairman and by providing Directors with the minutes of its meetings, which shall state whether its members were present or absent and record any dissenting opinions expressed by members.

11. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee shall have at least two Directors. At least half of its members must be independent Directors.

The Committee shall be chaired by one of its members, appointed by the Board of Directors.

The agenda for Committee meetings shall be prepared under the responsibility of its chairman, in collaboration with the Chairman of the Board of Directors and the Chief Executive Officer.

The Committee may interview the Chairman of the Board of Directors and the Chief Executive Officer, and its chairman may invite them to its meetings. It may also interview, with or without the presence of the Chairman of the Board of Directors and the Chief Executive Officer, the Directors and the Chief Operating Officers. In all other cases, it must request authorisation from the Chief Executive Officer before interviewing any senior managers in the Group.

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

The Committee shall meet to consider any matters referred to it by General Management and, in any event, before any meeting of the Board of Directors at which matters falling within its remit are to be discussed.

Its duties are to:

- assess the Group's corporate responsibility strategy and policy;
- monitor the programs implemented and the priority actions taken in this area and assess the results thereof;
- review the Group's principal opportunities and risks in social and environmental matters in light of the issues specific to its strategy and businesses;
- review the Group's non-financial performance and the information published by the Group in this regard;
- monitor application of the ethical rules adopted by the Group.

The Committee shall report on the performance of its duties to the Board of Directors, in particular through briefings provided by its chairman and by providing Directors with the minutes of its meetings, which shall state whether its members were present or absent and record any dissenting opinions expressed by members.

12. Remuneration of Directors

All Directors may receive remuneration for the performance of their duties, the total amount of which shall be determined by the Company's General Meeting. The Board of Directors shall have full discretion to decide the allocation of such remuneration between the Directors, in light of recommendations or proposals from the Nomination, Remuneration and Governance Committee.

2.3.3.4. Full text of the Directors' Charter updated on 2 March 2020

This Charter sets out the rights and duties 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 the shareholders and acts in the Company's interests in all circumstances. All the Directors, regardless of the manner in which they were appointed, shall represent all the shareholders.

2. Knowledge of duties and obligations

Before accepting office, Directors must become familiar with laws and regulations relevant to their position, the Company's Memorandum and Articles of Association, this Charter and the Internal Regulations of the Board of Directors.

Directors may consult the Secretary of the Board of Directors at any time regarding the scope of such rules and the rights and obligations attached to their office.

3. Holding a minimum number of shares in the Company

Each Director must hold 400 shares in the Company, in registered form, throughout his/her term of office.

4. Information

Directors must ensure that they receive in a timely manner all information necessary to perform their duties. They must, at the appropriate times, apply to the Chairman of the Board of Directors and request the information they deem necessary to perform their duties and to speak on matters on the agenda of meetings of the Board of Directors.

5. Regular attendance

Directors must devote the necessary time and attention to their office and, when they accept another office, must consider whether they will still be able to meet this duty. Save where physically impossible, they must attend all meetings of the Board of Directors and of any committees on which they sit, as well as the General Meetings.

6. Conflicts of interest

Directors must inform the Board of Directors of any conflict of interest or potential conflict of interest as of the time they become aware thereof, and, when a conflict of interest exists, must refrain from participating in the discussion and voting on the corresponding resolution. Any Director in a permanent conflict of interest must resign.

7. Number of offices held by Directors

Directors, including the Chairman of the Board of Directors, may hold no more than four other offices in listed companies outside the Group, including abroad.

The Chairman of the Board of Directors must inform the Board of Directors before accepting any office in any listed or unlisted non-Group company.

The Chairman of the Board of Directors must obtain the consent of the Board of Directors before accepting any office in a listed non-Group company.

Directors, including the Chairman of the Board of Directors, must keep the Board of Directors informed of all significant positions and offices they hold in listed or unlisted non-Group companies, including membership of specialised committees set up by boards of directors.

8. Duty of confidentiality and non-disclosure

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

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 of professional secrecy that goes beyond the mere duty of non-disclosure (*obligation de discrétion*) provided for by Article L. 225-37 (5) of the French Commercial Code.

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

9. Stock market ethics

9.1. Inside information

Inside information is any information of a precise nature that has not been made public, relating directly or indirectly to one or more issuers of financial instruments, or to one or more financial instruments, and which, if made public, would be likely to have a significant effect on the prices of the relevant financial instruments or on the prices of related financial instruments.

Information is deemed to be of a precise nature if it indicates a set of circumstances or an event that exists or has occurred or may reasonably be expected to come into existence or occur and if it is specific enough to enable a conclusion to be drawn as to the possible effect of such circumstances or event on the prices of the relevant financial instruments or related financial instruments.

Information which, if it were made public, would be likely to have a significant effect on the prices of the relevant financial instruments or related financial instruments is information that a reasonable investor would be likely to use as part of the basis of his investment decisions.

Information is deemed to be public if it has been communicated to all investors, in particular in the form of a press release issued by the Company.

9.2. Principles

Directors must only use inside information concerning the Group in the performance of their duties. Such information must never be communicated 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 inside information concerning the Group is considered to be an 'insider' and must refrain from trading, directly or through an intermediary, on his/her own behalf or on behalf of a third party, in the Company's securities, until such time as the information is made public. Such prohibited trading includes not only the buying and selling of financial instruments but also the amendment or cancellation of an order concerning a financial instrument to which the inside information relates.

Any Director who holds inside information concerning the Group must refrain from recommending and/or encouraging any other person to buy or sell the Company's securities, on his/her own behalf or on behalf of a third party, directly or indirectly, until such time as the information is made public.

Directors shall be personally responsible for determining whether information they hold is inside information and, in consequence thereof, deciding whether or not they are entitled to use or disclose such information and whether or not they are entitled to carry out any trading in the Company's securities.

9.3. Blackout periods

In addition to the period prior to the publication of any inside information of which they are aware, during which, in accordance with the law, insiders must refrain from trading in the Company's securities, it is recommended that Directors refrain from trading in the Company's securities during the following periods:

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

9.4. The criminal offence and administrative breach of insider dealing

Each Director acknowledges that he/she has been informed of laws and regulations governing the prevention and punishment of the criminal offence and administrative breach of insider dealing (including in particular Articles 7 to 11 of EU Regulation no. 596/2014 of 16 April 2014 on market abuse and Articles L. 465 1 *et seq.* of the French Monetary and Financial Code) and lay down the rules applying to the possession and use of inside information, as well as the resulting blackout obligations.

9.5. Obligation to disclose trading in the Company's securities

In accordance with Articles L. 621-18-2 and R. 621-43-1 of the French Monetary and Financial Code, Articles 223-23 to 223-26 of the General Regulation of the Autorité des Marchés Financiers and Instruction no. 2016-06 of the Autorité des Marchés Financiers of 26 October 2016 on trading in a company's securities by senior managers and the persons referred to in Article L. 621-18-2 of the French Monetary and Financial Code, Directors and persons with close ties to them are required to disclose to the Autorité des Marchés Financiers, within three business days following the transaction date, all purchases, sales, subscriptions and exchanges of the Company's financial instruments, as well as transactions involving related instruments, if the total amount of such transactions exceeds €20,000 in any calendar year.

Directors and persons with close ties to them are required to disclose transactions to the Autorité des Marchés Financiers using its secure on-line platform (ONDE). They must create an access account if they do not already have one.

If disclosure is made to the Autorité des Marchés Financiers, the person disclosing a transaction must provide the Secretary of the Company's Board of Directors with a copy of the disclosed information. By virtue of a written document, which may be an email, Directors may authorise the Secretary of the Board of Directors to make any necessary disclosures on their behalf. For that purpose, the Directors must provide the Secretary of the Board of Directors with details of the transactions to be disclosed as and when they are executed. The Secretary of the Board of Directors will use his own access account to log onto the ONDE platform and disclose the transactions.

The Autorité des Marchés Financiers displays disclosed transactions on its website, and a yearly summary is included in the Company's Universal Registration Document.

2.3.4. SPECIFIC PROCEDURES RELATING TO TAKING PART IN GENERAL MEETINGS

The procedures for taking part in General Meetings 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 6.1.2 on pages 246 *et seq.* of this Registration Document.

2.4. Remuneration of corporate officers

For the purposes of the following section, the term corporate officer means the Chief Executive Officer, the Chief Operating Officers, if any, and the Chairman of the Board of Directors. The term executive corporate officer means the Chief Executive Officer and the Chief Operating Officers, if any, and the Chairman of the Board of Directors classified as non-executive corporate officer, provided this role is not filled by the Chief Executive Officer. All the other Directors are non-executive corporate officers.

2.4.1. CORPORATE OFFICER REMUNERATION POLICY

2.4.1.1. Corporate officers

General remarks

Only the Board of Directors has the authority to determine, based on the recommendations of the Nomination, Remuneration and Governance Committee, the remuneration and any benefits awarded to the corporate officers.

The remuneration and any benefits received by the corporate officers are determined on the basis of the following principles:

- competitiveness and loyalty;
- fairness and performance;
- comprehensiveness and global assessment;
- balance between the various components of the remuneration;
- use of comparative data reflecting both market standards and practices in comparable companies;
- consistency, transparency, stability and clarity of rules applied;
- consistency with the Company's strategy and context, compliance with the interests of the Company;
- consideration of the importance of responsibilities actually assumed.

Fixed and variable annual remuneration

The corporate officers' annual remuneration is comprised of a fixed component and, for the executive corporate officers only, a variable component based on the achievement of demanding quantitative and qualitative financial and non-financial objectives, determined at the start of the financial year in line with the strategy approved by the Board of Directors. Non-executive corporate officers do not receive any variable remuneration.

The fixed remuneration payable to corporate officers and the methods used to determine the variable remuneration payable to corporate officers (in particular the financial and non-financial quantitative and qualitative objectives they will be required to achieve) are determined by the Board of Directors on the basis of recommendations by the Nomination, Remuneration and Governance Committee, developed on the basis of an analysis of the practices of a panel of comparable companies and the performance of the senior executives.

The fixed remuneration received by corporate officers is only reviewed every two or three years.

Remuneration as Director

Only independent Directors receive remuneration in respect of their position. The Chief Executive Officer Director may thus not receive remuneration in this capacity. Where the roles of Chairman of the Board of Directors and Chief Executive Officer are split, the same applies to the Chairman of the Board of Directors unless the latter is classified as an independent Director.

Exceptional remuneration

The Company's remuneration policy does not provide for the payment of exceptional remuneration to corporate officers.

Variable multi-year remuneration

The Company's remuneration policy does not provide for the payment of variable multi-year remuneration to corporate officers.

Bonus performance share plans and options to subscribe or purchase shares

The Company's remuneration policy does not provide for any long-term incentive programmes of any type whatsoever for the non-executive corporate officers.

The long-term incentive programme for executive corporate officers takes the form of the award of bonus performance shares or options to subscribe or purchase shares, depending *inter alia* on the tax and employment rules that apply at the time they are awarded. The aim of this long-term incentive programme is to ensure that the interests of the executive corporate officers remain in line with those of the shareholders. Vesting of the performance shares awarded, or exercise of options to subscribe or purchase shares, as the case may be, is subject to exacting performance conditions, combining internal criteria and external criteria which, as far as is possible, are measured while taking into consideration the performance of the Company and its Group compared to its market environment. The existing plans cover performance over at least three years.

Based on the recommendations of the Nomination, Remuneration and Governance Committee, the Board of Directors determines the bonus performance shares and options to subscribe or purchase shares to be awarded to the executive corporate officers, ensuring, in particular, that these awards, valued in accordance with IFRS 2, do not represent a disproportionate share of the total remuneration of corporate officers and that the share of the awards reserved for executive corporate officers within a plan is in accordance with market practices.

If a corporate officer stands down or is removed from office before the end of the vesting period for the performance shares or the options, the award will be cancelled, other than in those cases when the special rules relating to death or disability apply.

Welcome packages

The Company's remuneration policy does not provide for the payment of a welcome package to corporate officers.

Remuneration and commitments on departure

Executive corporate officers may benefit from certain commitments when they cease to hold office, such as severance pay and/or compensation paid under a covenant not to compete. The terms, conditions and amounts comply with the recommendations set out in the AFEP-MEDEF Corporate Governance Code.

Remuneration under agreements concluded with the Company or its Group

The Company's remuneration policy does not provide for the payment of remuneration to corporate officers under any agreement concluded with the Company or its Group.

If a corporate officer held an employment contract prior to his or her appointment, the contract is terminated or, if justified by special circumstances, suspended.

Benefits in kind, occupational insurance and retirement

The benefits in kind received by corporate officers are limited to use of a company car and 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*). This includes the adding back of contributions to occupational insurance plans available to them within the Group (covering healthcare, incapacity, disability and death).

If their personal circumstances permit this, corporate officers are registered with the occupational insurance plan (covering healthcare, incapacity, disability and death) and the mandatory defined contribution supplementary pension plan, like all the Company's employees.

Other remuneration

The Company's remuneration policy does not provide for the payment of any other type of remuneration to corporate officers. More specifically, they do not receive any remuneration in any form whatsoever from the Company's subsidiaries or any companies that control it.

2.4.1.2. Non-executive corporate officers

Non-executive corporate officers only receive remuneration in their capacity as Director. The maximum amount to be allocated between the Directors in this respect is set by the General Meeting, and the actual apportionment of the sums between Directors is decided by the Board of Directors alone, in view of recommendations by the Nomination, Remuneration and Governance Committee. Amounts allocated may reflect specific tasks assigned to certain Directors, in which case the Directors may not all receive the same amount. Only independent Directors receive this remuneration. The main portion constitutes variable remuneration, paid to reward actual attendance of meetings of the Board of Directors and of its specialised Committees.

2.4.2. REMUNERATION RECEIVED BY CORPORATE OFFICERS FOR THE 2019 FINANCIAL YEAR

Information concerning the remuneration received by corporate officers is presented in accordance with the provisions of the AFEP-MEDEF Code, AMF recommendation no. 2012-02 of 9 February 2012 on corporate government and remuneration of officers in companies that refer to the AFEP-MEDEF Code, most recently amended on 3 December 2019, and AMF position/recommendation no. 2009-16 of 10 December 2009 on the preparation of registration documents, most recently amended on 25 July 2019, with the AMF stating that it remained valid subject to being compliant with Regulation (EU) 2017/1129 of 14 June 2017, the related delegated regulations and the guidelines of the European Securities & Markets Authority (ESMA).

The information referred to in Articles L. 225-184 and L. 225-197-4 of the French Commercial Code relating to, respectively, stock options awarded during the financial year to the Company's employees and options to subscribe for or purchase shares exercised by said employees, and to bonus performance shares awarded during the financial year to the Company's employees and shares vesting for said employees, is presented in Sections 6.4.2 and 6.4.3 on pages 267 *et seq.* of this Universal Registration Document.

No remuneration was due to the Company's corporate officers by companies controlled by Albioma in respect of the 2018 and 2019 financial years, nor was any paid to these corporate officers by these companies during said financial years.

2.4.2.1. General remarks

On the basis of recommendations by the Nomination[1], Remuneration and Governance Committee, the Board of Directors decided to make a number of modifications to the existing terms of remuneration for corporate officers, to apply from the 2019 financial year, mainly associated with the combining, following the General Meeting of 27 May 2019, of the roles of Chairman of the Board of Directors and of Chief Executive Officer.

- The Board of Directors wanted to reflect the significant changes to the duties of the Chief Executive Officer following his appointment, at the General Meeting of 27 May 2019, as Chairman of the Board of Directors. As a result, the Board of Directors decided to increase the fixed remuneration of the Chief Executive Officer, following the combining of the roles of Chairman of the Board of Directors and of the Chief Executive Officer, by 22.8% to an all-inclusive fixed gross amount of €350,000 per annum, positioned at the median of the panel used by the Nomination, Remuneration and Governance Committee.
- The Board of Directors moreover wished to introduce into the variable remuneration package of the Chief Executive Officer a more effective mechanism for remunerating out-performance, while limiting this mechanism to his financial objectives. The Board of Directors verified that the envisaged mechanism was consistent with market practices and its impact would not be disproportionate, while also ensuring that it resulted in a closer correlation between remuneration paid and effective performance. The Board of Directors thus decided, where there is a particularly marked out-performance of each of the financial objectives assigned to the Chief Executive Officer, to allow the target remuneration pertaining to each of these objectives to rise to 150% (from 110% in 2018) of the target amount of the portion of the variable remuneration allocated to each of said objectives.
- Lastly, the Board of Directors wished to add, as part of the quantitative non-financial objectives assigned to the Chief Executive Officer, to the objectives pertaining to the improvement in workplace accident frequency and severity rates an objective to improve the Group's non-financial rating from Vigeo Eiris, following the evaluation process undertaken by the Group in 2017. Following the introduction of this new objective, which makes it possible to more broadly evaluate the Group's non-financial performance, the Board of Directors revised the weighting assigned each quantitative non-financial objective, these nevertheless continuing to be weighted at 12% of the target variable portion of the Chief Executive Officer's remuneration.

1 . *The Nomination, Remuneration and Governance Committee used a comparative analysis of a panel of 17 companies operating in the same industry sector and included in the SBF 120 or CAC Small 90 indexes which have similar features to Albioma in terms of revenue (the median revenue for the panel is €290 million) and market capitalisation (the median market capitalisation for the panel is €1,000 million). The chosen panel is unchanged from the panel used in 2018, except for Neoen, which was added to the panel in 2019 following its listing, and the replacement on the panel of Actia Group by Voltalia, given the stronger correlation of the latter's activities with the Group's. Composition of the panel used in 2019: Bénéteau, Boiron, Exel Industries, Gaztransport & Technigaz, Groupe Gorgé, Guerbet, Manutan International, Mersen, Neoen, PCAS, PSB Industries, Soitec, Somfy, Thermador Group, Trigano, Virbac and Voltalia.*

2.4.2.2. Summary of remuneration received by each corporate officer

Summary of remuneration payable to Jacques Pétry, Chairman of the Board of Directors (up to 27 May 2019)

In thousands of euros[1]	2019	2018
JACQUES PÉTRY **Chairman of the Board of Directors**[2]		
Remuneration for the financial year[3]	42.07	158.37
Value of multi-year variable remuneration awarded during the financial year[4]	-	-
Value of stock options awarded during the financial year[5]	-	-
Value of bonus performance shares awarded during the financial year[6]	-	-
Total	**42.07**	**158.37**

1. *Remuneration components are presented on a gross, pre-tax basis.*
2. *Jacques Pétry was Chairman of the Board of Directors up to 27 May 2019.*
3. *The total amount of the annual fixed and variable remuneration due in respect of the performance of the duties of Chairman of the Board of Directors from 1 January to 31 December of the financial year concerned. See additional information in Section 2.4.2.3 on page 122 of this Universal Registration Document.*
4. *No variable multi-annual remuneration mechanism was in place in respect of the 2018 and 2019 financial years.*
5. *Value, on their award date, of the options to subscribe or purchase shares awarded during the financial year concerned, as calculated based on the IFRS 2 financial reporting standard. See additional information in Section 2.4.2.7 on page 127 of this Universal Registration Document.*
6. *Value, on their award date, of the bonus performance shares awarded during the financial year concerned, as calculated based on the IFRS 2 financial reporting standard. See additional information in Section 2.4.2.8 on pages 127 et seq. of this Universal Registration Document.*

Summary of Frédéric Moyne's remuneration as Chief Executive Officer (up to 27 May 2019) and then as Chairman and Chief Executive Officer (from 27 May 2019)

In thousands of euros[1]	2019	2018
FRÉDÉRIC MOYNE **Chief Executive Officer and subsequently Chairman and Chief Executive Officer**[2]		
Remuneration for the financial year[3]	795.72	543.23
Value of multi-year variable remuneration awarded during the financial year[4]	-	-
Value of stock options awarded during the financial year[5]	-	-
Value of bonus performance shares awarded during the financial year[6]	190.00	224.00
Total	**985.72**	**767.23**

1. *Remuneration components are presented on a gross, pre-tax basis.*
2. *Frédéric Moyne was Chief Executive Officer up to 27 May 2019 and then Chairman and Chief Executive Officer from 27 May 2019.*
3. *The total amount of the annual fixed and variable remuneration due in respect of the performance of the duties of Chief Executive Officer, then Chairman and Chief Executive Officer from 1 January to 31 December of the financial year concerned. See additional information in Section 2.4.2.4 on pages 123 et seq. of this Universal Registration Document.*
4. *No variable multi-annual remuneration mechanism was in place in respect of the 2018 and 2019 financial years.*
5. *Value, on their award date, of the options to subscribe or purchase shares awarded during the financial year concerned, as calculated based on the IFRS 2 financial reporting standard. See additional information in Section 2.4.2.7 on page 127 of this Universal Registration Document.*
6. *Value, on their award date, of the bonus performance shares awarded during the financial year concerned, as calculated based on the IFRS 2 financial reporting standard. See additional information in Section 2.4.2.8 on pages 127 et seq. of this Universal Registration Document.*

2.4.2.3. Summary of remuneration accruing and paid to Jacques Pétry, Chairman of the Board of Directors (up to 27 May 2019)

	2019		2018	
In thousands of euros[1]	Amounts due[2]	Amounts paid[3]	Amounts due[2]	Amounts paid[3]
JACQUES PÉTRY **Chairman of the Board of Directors**[4]				
Fixed remuneration[5]	40.22	40.22	153.75	153.75
Annual variable remuneration[6]	-	-	-	-
Multi-annual variable remuneration[7]	-	-	-	-
Exceptional remuneration[8]	-	-	-	-
Remuneration as Director[9]	-	-	-	-
Benefits in kind[10]	1.86	1.86	4.62	4.62
Total	**42.07**	**42.07**	**158.37**	**158.37**

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 of the Board of Directors from 1 January to 31 December of the financial year concerned.*
3. *Remuneration effectively paid from 1 January to 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. *Jacques Pétry was Chairman of the Board of Directors up to 27 May 2019.*
5. *See additional information in the remainder of this section of this Universal Registration Document.*
6. *See additional information in the remainder of this section of this Universal Registration Document.*
7. *No variable multi-annual remuneration mechanism was in place in respect of the 2018 and 2019 financial years.*
8. *No exceptional remuneration was due in respect of the 2018 and 2019 financial years, nor was any paid during these financial years.*
9. *See additional information in Section 2.4.2.6 on pages 126 et seq. of this Universal Registration Document.*
10. *See additional information in the remainder of this section of this Universal Registration Document*

The principles and rules applied for the 2019 financial year by the Board of Directors to determine the remuneration and benefits of any kind received by the Chairman of the Board of Directors are described in Section 2.4.1.1 on pages 118 *et seq.* of this Universal Registration Document.

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

Fixed remuneration

In respect of his duties as Chairman of the Board of Directors, in 2019 Jacques Pétry received, for the period from 1 January to 27 May 2019, all-inclusive gross annual fixed remuneration of €100,000, payable in twelve instalments, unchanged on 2018 (i.e., for that period all-inclusive gross fixed remuneration of €40,217.38).

The amount of this remuneration was determined by the Board of Directors for the 2019 financial year at its meeting of 7 March 2019.

Variable remuneration

None.

Benefits in kind, occupational insurance and retirement benefits

The benefits in kind to which Jacques Pétry was entitled in 2019 for his work as Chairman of the Board of Directors corresponded to:

- the value of the provision of a company car;
- the payment by the Company of the contributions to the occupational insurance plan (covering healthcare and death).

In accordance with applicable laws and regulations, Jacques Pétry, who claimed his rights to pension benefits under the general old-age pension scheme, remains a member of the AGIRC-ARRCO mandatory group supplementary pension plan open to all Company employees categorised as executive staff, although the contributions paid in this regard cannot entitle him to additional benefits.

2.4.2.4. Summary of remuneration accruing and paid to Frédéric Moyne as Chief Executive Officer (up to 27 May 2019) and then as Chairman and Chief Executive Officer (from 27 May 2019)

	2019		2018	
In thousands of euros[1]	Amounts due[2]	Amounts paid[3]	Amounts due[2]	Amounts paid[3]
FRÉDÉRIC MOYNE				
Chief Executive Officer and subsequently Chairman and Chief Executive Officer[4]				
Fixed remuneration[5]	323.86	323.86	285.00	285.00
Annual variable remuneration[6]	430.73	217.82	217.82	239.97
Multi-annual variable remuneration[7]	-	-	-	-
Exceptional remuneration[8]	-	-	-	-
Remuneration as Director[9]	-	-	-	-
Benefits in kind[10]	41.13	41.13	40.41	40.41
Total	**795.72**	**582.81**	**543.23**	**565.38**

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

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

3. Remuneration effectively paid from 1 January to 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. Frédéric Moyne was Chief Executive Officer up to 27 May 2019 and then Chairman and Chief Executive Officer from 27 May 2019.

5. See additional information in the remainder of this section of this Universal Registration Document.

6. See additional information in the remainder of this section of this Universal Registration Document.

7. No variable multi-annual remuneration mechanism was in place in respect of the 2018 and 2019 financial years.

8. No exceptional remuneration was due in respect of the 2018 and 2019 financial years, nor was any paid during these financial years.

9. See additional information in Section 2.4.2.6 on pages 126 et seq. of this Universal Registration Document.

10. See additional information in the remainder of this section of this Universal Registration Document.

The principles and rules applied for the 2019 financial year by the Board of Directors to determine the remuneration and benefits of any kind received by the Chief Executive Officer are described in Section 2.4.1.1 on pages 118 *et seq.* of this Universal Registration Document.

Frédéric Moyne had an employment contract with the Company until 1 June 2017. The effects of this employment contract were suspended by the Board of Directors at the time he was appointed Chief Executive Officer for a limited one-year period, at the end of which period the employment contract was terminated as Frédéric Moyne had informed the Company of his decision to resign from his salaried position with effect from 1 June 2017 subject to the condition precedent that he still serve as Chief Executive Officer on that date (see additional information in Section 2.4.2.9 on page 129 of this Universal Registration Document).

Fixed remuneration

In 2019, Frédéric Moyne received:

- In respect of his duties as Chief Executive Officer (the period from 1 January to 27 May 2019), all-inclusive gross annual fixed remuneration of €285,000, payable in twelve instalments, unchanged on 2018 (i.e., for that period all-inclusive gross fixed remuneration of €114,619.57);
- In respect of his duties as Chairman and Chief Executive Officer (the period from 27 May to 31 December 2019), all-inclusive gross annual fixed remuneration of €350,000, payable in twelve instalments, 22.8% up on 2018 (i.e., for that period all-inclusive gross fixed remuneration of €209,239.13).

The amount of this remuneration was determined by the Board of Directors for the 2019 financial year at its meeting of 7 March 2019.

Variable remuneration

The fixed remuneration payable to Frédéric Moyne in his capacity as Chief Executive Officer and later Chairman and Chief Executive Officer for the 2019 financial year was accompanied by variable remuneration of up to 133% of his fixed remuneration, namely €430,732.10 for the financial year concerned, linked to the achievement of financial objectives and of quantitative and qualitative non-financial objectives set for Frédéric Moyne by the Board of Directors for the 2019 financial year.

At its meeting on 2 March 2020, the Board of Directors, deciding on the basis of the recommendations of the Nomination, Remuneration and Governance Committee, conducted an assessment of Frédéric Moyne's overall performance in view of the objectives set him in respect of the 2019 financial year. In accordance with the principles adopted by the Board of Directors at its meeting of 7 March 2019, the variable component of Frédéric Moyne's remuneration for the 2019 financial year was set at a gross amount of €430,732.10, i.e., 133% of the fixed component of his remuneration for the same period. The amount of this remuneration was calculated as shown below:

			Interpolation matrix				Actual performance		Implied variable	
	Weighting (% of target amount)	Target amount (in euros)	0% of target amount	50% of target amount	100% of target amount	150% of target amount	In absolute terms	% of target	% of target amount	In euros
FINANCIAL INDICATORS[1]										
2019 consolidated EBITDA (in millions of euros)	22%	71,249	< 168	168	174	≥ 182	182.9	105%	150%	106,873
2019 consolidated net income, Group share (in millions of euros)	22%	71,249	< 38	38	40	≥ 44	44.1	110%	150%	106,873
2019 consolidated free cash flow from operating activities (in millions of euros)	22%	71,249	< 90	90	100	≥ 130	155.5	156%	150%	106,873
Sub-total financial indicators	**66%**	**213,747**							**150%**	**320,620**
QUANTITATIVE NON-FINANCIAL INDICATORS										
Fall in workplace accident frequency rate in 2019 vs. 2018 (in absolute terms)[2]	3%	9,716	≥ 12.50		≤ 10.25		7.80	209%	100%	9,716
2019 workplace accident severity rate kept under the Group target of 0.5 and better than in 2018 (in absolute terms)[3]	3%	9,716	≥ 0.50		≤ 0.41		0.22	311%	100%	9,716
Improvement in the Group's Vigeo Eiris rating in 2019 compared with 2017 (in points)[4]	6%	19,432	< 50	50	≥ 53		59	300%	100%	19,432
Sub-total quantitative non-financial indicators	**12%**	**38,863**							**100%**	**38,863**
QUALITATIVE NON-FINANCIAL INDICATORS										
Qualitative targets[5]	22%	71,249							100%	71,249
Sub-total qualitative non-financial indicators	**22%**	**71,249**							**100%**	**71,249**
Total	**100%**	**323,859**							**133%**	**430,732**

1. Should the target set for the Chief Executive Officer for each of the three financial objectives exceed 105% of the 2019 consolidated EBITDA target, 110% of the 2019 consolidated net income, Group share target, and 130% of the 2019 consolidated free cash flow from operating activities target, the portion of his variable remuneration for each of the financial objectives was capped at 150% of the target amount of variable remuneration corresponding to each of these objectives.

2. Number of workplace accidents involving Group staff resulting in over 24 hours lost time per million hours worked (all businesses and all geographic areas).

3. Number of days' sick leave (lost-time >24 h) due to workplace accidents involving Group staff per thousand hours worked (all businesses and all geographic areas).

4. Rating obtained by the Group following an assessment by Vigeo Eiris, a non-financial rating agency.

5. The qualitative non-financial objectives set Frédéric Moyne for the 2019 financial year were linked to the improvement in the Group's non-financial performance (5.5% weighting), human resources and talent management (5.5% weighting), expected progress on projects tied to the energy transition in the Thermal Biomass business in French overseas departments and territories (5.5% weighting) and expected progress on other development projects, particularly in Solar Power and internationally (5.5% weighting). On the basis of the assessment by the Board of Directors of Frédéric Moyne's performance in view of these objectives, and as recommended by the Nomination, Remuneration and Governance Committee, the Board determined that he achieved 100% of the qualitative non-financial objectives set for him for the 2019 financial year. In the course of this analysis, the Board of Directors in particular identified the marked improvement in the Group's non-financial performance (strength of the roll-out of the CSR roadmap, significant growth in the portion of electricity production from renewable sources), the strengthening and structuring of the Industrial Department and the establishment of an ambitious talent management plan, the ongoing conversion to biomass of the bagasse / coal thermal plants in the French Overseas departments, the intensification of the Group's development in the Solar Power business and the intensification of the development of and prospecting in the Thermal Biomass sector or in new business areas (grid services, geothermal).

Benefits in kind, occupational insurance and retirement benefits

The benefits in kind to which Frédéric Moyne was entitled in his capacity as Chief Executive Officer for the 2019 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 loss of employment for company managers and executives (*Garantie Sociale des Chefs et Dirigeants d'Entreprise* - GSC);
- the adding back of contributions to the occupational insurance plan over and above the maximum amounts set in applicable laws and regulations.

Frédéric Moyne remained a member of the occupational insurance plan (covering healthcare, incapacity, disability and death) and the AGIRC-ARRCO mandatory group supplementary pension plan open to all the Company's employees categorised as executive staff. His membership of the mandatory group supplementary defined contribution pension plan open to all Company employees was maintained.

2.4.2.5. Equity ratio

Over the past five financial years, the ratio of the remuneration of corporate officers to median and average employee remuneration was as follows:

	2015[2]	2016[3]	2017	2018	2019[4]
JACQUES PÉTRY **Chairman and Chief Executive Officer (from 21/10/2011 to 31/05/2016) then Chairman of the Board of Directors (from 01/06/2016 to 27/05/2019)**					
Ratio of remuneration to average employee remuneration[1]	8.10	8.30	6.40	2.50	1.60
Ratio of remuneration to median employee remuneration[1]	9.70	10.80	7.90	2.90	1.80
FRÉDÉRIC MOYNE **Chief Executive Officer (from 01/06/2016 to 27/05/2019) then Chairman and Chief Executive Officer (from 27/05/2019)**					
Ratio of remuneration to average employee remuneration[1]	n/a	4.20	6.40	8.40	8.40
Ratio of remuneration to median employee remuneration[1]	n/a	5.50	8.00	10.10	9.90

1. *The calculation of the ratio factors in the cash remuneration components (fixed remuneration and variable remuneration) paid to the Company's corporate officers versus the cash remuneration components (fixed remuneration, variable remuneration, incentives and profit sharing) paid to employees of Group companies with their registered offices in France.*
2. *The calculation of the ratio for the 2015 financial year only includes remuneration components paid to the Company's employees.*
3. *The remuneration components of Frédéric Moyne, who became Chief Executive Officer on 1 June 2016, were annualised for the 2016 financial year.*
4. *The remuneration components of Jacques Pétry, who resigned as Chairman of the Board of Directors as from 27 May 2019, were annualised for the 2019 financial year.*

2.4.2.6. Remuneration of non-executive corporate officers

	2019		2018	
In thousands of euros[1]	Amounts due[2]	Amounts paid[3]	Amounts due[2]	Amounts paid[3]
JEAN-CARLOS ANGULO	**35.85**	**37.19**	**37.19**	**27.50**
Remuneration as Director	35.85	37.19	37.19	27.50
Other remuneration	-	-	-	-
MICHEL BLEITRACH[4]	**-**	**24.21**	**24.21**	**55.00**
Remuneration as Director	-	24.21	24.21	55.00
Other remuneration	-	-	-	-
PIERRE BOUCHUT[5]	**40.99**	**23.38**	**23.38**	**-**
Remuneration as Director	40.99	23.38	23.38	-
Other remuneration	-	-	-	-
BPIFRANCE INVESTISSEMENT	**-**	**-**	**-**	**-**
Remuneration as Director	-	-	-	-
Other remuneration	-	-	-	-
MARIE-CLAIRE DAVEU	**34.15**	**34.64**	**34.64**	**27.50**
Remuneration as Director	34.15	34.64	34.64	27.50
Other remuneration	-	-	-	-
FRANCK LACROIX[6]	**17.39**	**-**	**-**	**-**
Remuneration as Director	17.39	-	-	-
Other remuneration	-	-	-	-
FLORENCE LAMBERT[7]	**19.09**	**13.36**	**-**	**-**
Remuneration as Director[8]	19.09	13.36	-	-
Other remuneration	-	-	-	-
VALÉRIE LANDON[9]	**15.01**	**33.64**	**33.64**	**27.50**
Remuneration as Director	15.01	33.64	33.64	27.50
Other remuneration	-	-	-	-
ULRIKE STEINHORST[10]	**33.30**	**34.64**	**34.64**	**7.29**
Remuneration as Director	33.30	34.64	34.64	7.29
Other remuneration	-	-	-	-
Subtotal of Remuneration as Director	**195.78**	**201.07**	**187.71**	**162.45**
Subtotal other remuneration	**-**	**-**	**-**	**-**
Total	**195.78**	**201.07**	**187.71**	**162.45**

1. *Remuneration is presented on a gross, pre-tax basis.*
2. *Remuneration due in respect of the performance of the duties of Director from 1 January to 31 December of the financial year concerned.*
3. *Remuneration effectively paid from 1 January to 31 December of the financial year concerned. Except in special cases, the remuneration due in respect of a financial year is paid during the following financial year.*
4. *Michel Bleitrach only served as Director in the 2018 financial year up to 30 May when his term of office expired. He did not ask to be reappointed.*
5. *Pierre Bouchut only served as Director in the 2018 financial year as from his appointment by the General Meeting of 30 May 2018.*
6. *In the 2019 financial year, Frank Lacroix only served as Director as from his co-opting at the 27 May 2019 meeting of the Board of Directors.*
7. *Florence Lambert only served as Director in the 2019 financial year as from her appointment by the General Meeting of 27 May 2019.*
8. *Florence Lambert having wished in the 2019 financial year to use the sums accruing to her in consideration for her role as Director for the period from 27 May to 31 December 2019, to buy the minimum number of shares she is required to hold under the Company's Memorandum and Articles of Association, those sums were paid to her during the 2019 financial year.*
9. *Valérie Landon only served as Director in the 2019 financial year up to 27 May when her term of office expired. She did not ask to be reappointed.*
10. *Ulrike Steinhorst served as Director in the 2017 financial year only as from her provisional appointment (co-opting) by the Board of Directors on 19 September 2017.*

Additional information on the remuneration paid to the non-executive corporate officers

The total amount to be allocated between the Directors was most recently set by the General Meeting of 29 May 2017 at €225,000 for the 2019 and subsequent financial years, compared to €192,500 for the 2018 financial year. The General Meeting, in so doing, approved the proposal of the Board of Directors to increase the total amount for allocation between the Directors in consideration for their duties to allow for the specific remuneration of the Lead Independent Director as from the combining of the roles of Chairman of the Board of Directors and of Chief Executive Officer and the continued implementation of the procedures for allocating between the Directors the total amount granted to the Board of Directors by the General Meeting determined by the Board of Directors at its 5 March 2018 meeting and applicable as from 30 May 2018.

During the 2019 financial year, the procedures for allocating said sum between the Directors thus changed as follows:

- only the independent Directors may receive a remuneration in relation in their capacity as Directors;
- independent Directors are entitled to all-inclusive fixed lump-sum remuneration, calculated on a pro rata basis if their appointment relates to part of a financial year only, of €12,000 per financial year plus, for independent Directors chairing a specialised Committee, an additional fixed entitlement of €6,000 per financial year and per Committee chaired;
- independent Directors also receive a variable payment of €1,700 per meeting of the Board of Directors (provided they actually participate in these meetings), up to a maximum of €11,900 per Director per annum, and of €850 euros per meeting of a specialised Committee (provided they actually participate in these meetings), up to a maximum of €5,950 per Director per annum for the Commitments Committee and of €3,400 per Director per annum for the other Committees;
- the Lead Independent Director also receives all-inclusive fixed remuneration of €10,000 per financial year.

2.4.2.7. Options to subscribe or purchase shares

None (see additional information in Section 6.4.2 on page 267 of this Universal Registration Document).

2.4.2.8. Bonus performance share awards

The information that follows, together with the information in Section 6.4.3 on pages 267 *et seq.* of this Universal Registration Document, constitutes the report of the Board of Directors referred to in Article L. 225-4 of the French Commercial Code.

The table below shows only data relating to the bonus performance share plans still in effect as at 31 December 2019 or those expired during the 2019 financial year, and that are/were open to corporate officers, i.e.:

- the plan set up as a result of the resolutions adopted by the General Meeting of 24 May 2016 for managers and administrative staff of the Company and certain subsidiaries («2016 managers and administrative staff» plan), under which 494,808 performance shares were awarded, corresponding to 1.58% of the share capital as at 31 December 2019, out of the 596,000 performance shares that could be awarded under the authorisation granted by the General Meeting, corresponding to 1.90% of the share capital as at 31 December 2019[1];
- the three-year programme comprising three plans staggered from 2018 to 2020, each involving around 1.00% of the share capital[2], adopted by the General Meeting of 30 May 2018 for Company employees and certain employees of its subsidiaries. A total of 919,000 performance shares may be awarded, representing 2.93% of the share capital at 31 December 2019, pursuant to which:
  - 309,600 performance shares were awarded under a 2018 plan, representing 0.99% of the share capital at 31 December 2019;
  - 305,420 performance shares were awarded under a 2019 plan, representing 0.98% of the share capital at 31 December 2019.

The main terms and conditions of each of the bonus performance share plans existing as at 31 December 2019 or expiring during the 2019 financial year are described in Section 6.4.3.1 on pages 268 *et seq.* of this Universal Registration Document. The following provisions apply in particular to the awards made to the corporate officers:

- the number of bonus performance shares that may be awarded to the corporate officers was limited to 119,200, i.e., 20% of the total number of bonus performance shares that could be awarded under the plan set up as a result

1. *See additional information in Section 6.4.3.1 on pages 268 et seq. of this Universal Registration Document on the bonus performance share plans for other Group employees, set up under the same authorisation granted by the General Meeting.*
2. *See additional information in Section 6.4.3.1 on page 272 of this Universal Registration Document on the bonus performance share plan set up in 2020 under the same authorisation granted by the General Meeting.*

of the resolutions adopted at the General Meeting of 24 May 2016; and 91,900, i.e., 10% of the total number of bonus performance shares that could be awarded under the plans set up as a result of the resolutions adopted at the General Meeting of 30 May 2018;

- the vesting of the bonus performance shares awarded to the corporate officers is not subject to an obligation to acquire a pre-determined number of the Company's shares in the market (see additional information in Section 6.4.3.1. on pages 268 *et seq.* of this Universal Registration Document);
- the corporate officers are required, in the event of the vesting of bonus performance shares, to comply with an obligation to retain in registered form 25% of the number of shares vesting until the expiry of their terms of office; this obligation applies, if applicable, in addition to the general obligation to keep all vested performance shares for a set period, as per the regulations of those plans.

Plans still in effect were not in any way hedged at 31 December 2019.

Bonus performance shares awarded during the 2019 financial year to each corporate officer

	Date of the General Meeting	Date of the Board of Directors' meeting	Number of shares awarded during the financial year	Value of shares awarded during the financial year (in thousands of euros)[1]	Vesting date	Availability date	Performance conditions
JACQUES PÉTRY **Chairman of the Board of Directors**[2]	n/a	n/a	-	-	n/a	n/a	n/a
FRÉDÉRIC MOYNE **Chief Executive Officer and subsequently Chairman and Chief Executive Officerl**[3]	30/05/2018	07/03/2019[4]	30,620	190.00	07/03/2022	Voir note 5	Voir note 6
Total			**30,620**	**190.00**			

1. Value, on their award date, of the shares awarded, determined in accordance with the IFRS 2 financial reporting standard.
2. Jacques Pétry was Chairman of the Board of Directors up to 27 May 2019.
3. Frédéric Moyne was Chief Executive Officer up to 27 May 2019 and then Chairman and Chief Executive Officer from 27 May 2019.
4. Awards under the «2019» plan for Company employees and certain employees of its subsidiaries.
5. Vesting shares are subject to a general one-year lock-in commitment from their vesting date. The Chief Executive Officer is moreover bound by an obligation to retain in registered form 25% of the number of vested performance shares until he ceases to hold office.
6. Please see Section 6.4.3.1 on page 271 of this Universal Registration Document.

Bonus performance shares vesting during the 2019 financial year for each corporate officer

	Date of the General Meeting	Date of the Board of Directors' meeting	Number of bonus shares awarded that became available during the financial year	Vesting conditions
JACQUES PÉTRY **Chairman of the Board of Directors**[1]	24/05/2016[3]	24/05/2016[3]	50,274	See note 4
FRÉDÉRIC MOYNE **Chief Executive Officer and subsequently Chairman and Chief Executive Officer**[2]	24/05/2016[3]	24/05/2016[3]	50,274	See note 4
Total			**100,548**	

1. Jacques Pétry was Chairman of the Board of Directors up to 27 May 2019.
2. Frédéric Moyne was Chief Executive Officer up to 27 May 2019 and then Chairman and Chief Executive Officer from 27 May 2019.
3. Awards under the «2016 managers and administrative staff» plan for Company employees and certain employees of its subsidiaries.
4. Please see Sections 6.4.3.1 on page 268 and 6.4.3.3 on page 273 of this Universal Registration Document.

History of bonus performance shares awards

Please see Section 6.4.3.1 on pages 268 *et seq.* of this Universal Registration Document.

2.4.2.9. Contracts of employment, supplementary pension plans and remuneration payable on departure

	Employment contract		Supplementary retirement plan		Compensation or benefits owed or likely to be owed due to expiry, termination or change of position/office		Compensation under a covenant not to compete	
	Yes	No	Yes	No	Yes	No	Yes	No
JACQUES PÉTRY **Chairman of the Board of Directors[1]**		x		x[2]		x[3]		x[4]
FRÉDÉRIC MOYNE **Chief Executive Officer and subsequently Chairman and Chief Executive Officer[5]**		x[6]		x[7]	x[8]		x[9]	

1. Jacques Pétry was appointed Chairman of the Board of Directors on 1 March 2016, with effect from 1 June 2016, for a four-year term of office to expire at the close of the General Meeting to be held in 2020 to approve the 2019 financial statements, and resigned following the General Meeting of 27 May 2019.

2. Jacques Pétry did not have a specific supplementary pension plan that constitutes commitments of the type governed by Article R. 225-29-1 of the French Commercial Code.

3. As from 1 June 2016, in accordance with the decisions adopted by the Board of Directors at its meeting of 1 March 2016, Jacques Pétry did not qualify for severance pay in the event he was removed from office as Chairman of the Board of Directors or his appointment is not renewed.

4. As from 1 June 2016, in accordance with the decisions adopted by the Board of Directors at its meeting of 1 March 2016, Jacques Pétry was no longer bound by a covenant not to compete when he ceases to serve as Chairman of the Board of Directors.

5. Frédéric Moyne was appointed Chief Executive Officer on 1 March 2016, with effect from 1 June 2016, for a four-year term of office to expire at the close of the General Meeting to be held in 2020 to approve the 2019 financial statements, and then Chairman of the Board of Directors on 27 May 2019, for the period of his term of office as Director, namely to the close of the General Meeting to be held in 2021 to approve the 2020 financial statements.

6. At its meeting of 1 March 2016, the Board of Directors had decided to maintain Frédéric Moyne's employment contract for a limited period of one year from the effective date of his appointment as Chief Executive Officer, and recorded its automatic suspension. See the additional information below.

7. Frédéric Moyne does not have a specific supplementary pension plan that constitutes commitments of the type governed by Article R. 225-29-1 of the French Commercial Code.

8. Since 1 June 2016, Frédéric Moyne is entitled to severance pay from 1 June 2017 in the event he is removed from office as Chief Executive Officer, the terms and conditions of which are described in this section of this Universal Registration Document.

9. Since 1 June 2016, Frédéric Moyne is bound by a covenant not to compete in the event he is removed from office as Chief Executive Officer, the terms and conditions of which are described in this section of the Universal Registration Document.

Additional information on the effective termination of Frédéric Moyne's employment contract in 2017

At its meeting of 1 March 2016, the Board of Directors reviewed the position of Frédéric Moyne with regard to his employment contract with the Company. In this regard, the Board of Directors noted that:

- by 1 June 2016, Frédéric Moyne would have completed more than 17 years' service within the Group;
- under the loss of employment insurance taken out on his behalf as from 1 June 2016, he would only become entitled to compensation if he were removed from office before 1 June 2017;
- the contractual provisions applicable to the termination of Frédéric Moyne's employment contract would guarantee him, in the event of termination of said contract for just cause (excluding serious or gross misconduct), compensation of around 8.4 months' remuneration;
- it would have been inequitable to suddenly deprive Frédéric Moyne of the protection mechanisms from which he could benefit in the event of the termination of his employment contract (severance pay and the benefit of unemployment insurance).

In view whereof, the Board of Directors, ruling on the basis of the recommendations of the Nomination and Remuneration Committee (since renamed the Nomination, Remuneration and Governance Committee), had decided to approve the principle of maintaining Frédéric Moyne's employment contract for a period of one year as from 1 June 2016, although the effects of said contract were suspended during that period.

As Frédéric Moyne resigned from his salaried duties with deferred effect from 1 June 2017 subject to the sole condition precedent that he was still the Company's Chief Executive Officer on that date, his resignation became effective on 1 June 2017, on which date his employment contract was terminated.

Additional information on the severance payment and covenant not to compete in the event Frédéric Moyne is removed from office as Chief Executive Officer

Severance pay

Principes

At its meeting of 1 March 2016, the Board of Directors put in place, for the benefit of Frédéric Moyne in his capacity as Chief Executive Officer, all-inclusive severance pay which would be implemented as from the first day of the second year following the date on which his appointment as the Company's Chief Executive Officer came into effect (i.e., 1 June 2017). The terms and conditions of this severance pay are set out below. The terms of payment of such severance pay were approved by the General Meeting of 24 May 2016, voting on the special report by the Statutory Auditors in accordance with Article L. 225-42-1 of the French Commercial Code (6th resolution).

Assumptions concerning termination of office that are eligible for the payment of the all-inclusive severance pay

The all-inclusive severance pay will be due and paid in the event Frédéric Moyne is removed from his office as Chief Executive Officer or his term of office is not renewed, unless said removal or non-renewal is due to:

- 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*), i.e., misconduct committed with the intention of harming the Company or its Group, including in particular the intentional or repeated breach of limitations placed on his powers (under the Memorandum or Articles of Association or otherwise) or of resolutions adopted by the General Meeting, or any action constituting a criminal offence perpetrated personally when a Group company is the victim or this could harm the Group's reputation;
- Frédéric Moyne's failure to comply with his exclusivity, non-compete and loyalty obligations incumbent upon him in connection with his corporate office.

The all-inclusive severance pay is not paid in the event the termination of office is due to resignation.

Maximum amount of severance payment

The maximum gross amount of the severance payment is set at 15 months of the gross fixed annual remuneration received in respect of the last 12 months preceding the date on which he ceases to hold office, plus the average of the gross variable remuneration received in respect of the last three financial years preceding that date (the «Reference Remuneration»).

In the absence of a sufficiently long reference period, the variable remuneration used to calculate the Reference Remuneration will be equal to the gross target variable remuneration (corresponding to the achievement in full of the quantitative objectives) potentially due as a result of quantitative objectives in respect of the financial year during which he ceases to hold office, plus the maximum gross variable remuneration potentially due as a result of qualitative objectives in respect of said financial year.

Performance conditions

The all-inclusive severance payment will be due and paid only if the amounts received by Frédéric Moyne or owed to him in connection with the variable component of his remuneration in respect of the two financial years preceding the date on which his term of office ends represent, on average, a percentage equal to or greater than 50% of the maximum possible variable component that could be awarded in respect of said financial years.

By exception, if the available reference period only allows one financial year to be taken into account, Frédéric Moyne will be assumed to have satisfied the aforementioned performance conditions, unless the Board of Directors demonstrates that his actual performance during the period preceding the date on which he ceases to hold office would not have qualified him to receive variable remuneration at least equal to 50% of the maximum amount that could be awarded to him in respect of said financial year.

Non-compete covenant

Principes

At its meeting of 1 March 2016, the Board of Directors put in place, for the benefit of Frédéric Moyne, in his capacity as Chief Executive Officer, a mechanism for the payment of compensation under a covenant not to compete which could be implemented as from the date on which his appointment as the Company's Chief Executive Officer comes into effect (i.e., 1 June 2016). The terms and conditions of this mechanism are set out below. The terms were approved by the General Meeting of 24 May 2016, voting on the special report by the Statutory Auditors in accordance with Article L. 225-42-1 of the French Commercial Code (7th resolution).

Covenant not to compete: implementation procedures

In the event Frédéric Moyne ceases to serve as Chief Executive Officer, the Board of Directors shall meet in the following month to decide, at its discretion, whether it wishes to waive the covenant not to compete.

Nature and duration of Frédéric Moyne's commitments

If the covenant not to compete is implemented, Frédéric Moyne will not be permitted, for 12 months after he ceases to serve as the Company's Chief Executive Officer, for whatever reason, to:

- work, in any form whatsoever (employment contract, provision of services, corporate office or otherwise) for any company or enterprise whose business activities (material in terms of their revenue) compete with the business activities of the Company and its Group on the date on which he ceases to hold office and is communicated to the market (as of 1 March 2016, these activities are thermal biomass, anaerobic digestion and solar power), this prohibition applying only:

- in those countries in which at least one of said activities of the Company and its Group represents installed capacity of at least 40 MW on the date on which he effectively ceases to hold office; and
- to the sole activity or activities of the Company and its Group that have, in said country, achieved or exceeded this threshold on the date on which he effectively ceases to hold office;

- acquire or hold a direct or indirect interest (with the exception of any interest that does not exceed five percent of the share capital or voting rights of a listed company) in any company, enterprise or group whose business activities compete with the business activities of the Company or its Group, on the date on which he effectively ceases to hold office;
- incite any customer, supplier or partner of the Company or its Group to break off or curtail its business relationships with the Company or its Group, or incite any prospective customer not to enter into a business relationship with the Company or its Group;
- hire any officer, senior manager or employee of the Company or its Group, or incite any such officer, senior manager or employee to terminate his/her employment contract or leave the Company or its Group.

Financial compensation

If the covenant not to compete is implemented, the execution of the obligations described above will result in the payment of compensation equal to six months of the gross fixed annual remuneration received in respect of the last 12 months preceding the date on which he ceases to hold office, plus the average of the gross variable remuneration received in respect of the last three financial years preceding the date on which he ceases to hold office (the «Reference Remuneration»).

In the absence of a sufficiently long reference period:

- the fixed remuneration used to calculate the Reference Remuneration will be equal to the gross annual fixed remuneration due in respect of the financial year during which he ceases to hold office;
- the variable remuneration used to calculate the Reference Remuneration will be equal to the gross target variable remuneration (corresponding to the achievement in full of the quantitative objectives) potentially due as a result of quantitative objectives in respect of the financial year during which he ceases to hold office, plus the maximum gross variable remuneration potentially due as a result of qualitative objectives in respect of said financial year.

2.4.2.10. Service agreements entered into with the corporate officers

None.

2.4.3. REMUNERATION RECEIVED BY CORPORATE OFFICERS FOR THE 2020 FINANCIAL YEAR

On the basis of recommendations by the Nomination, Remuneration and Governance Committee, the Board of Directors decided to roll over all provisions of the remuneration policy applicable to corporate officers in 2019.

Remuneration payable to Frédéric Moyne, Chairman and Chief Executive Officer

Fixed remuneration

In his capacity as Chairman and Chief Executive Officer, Frédéric Moyne will receive, for the 2020 financial year, all-inclusive gross annual fixed remuneration of €350,000, payable in 12 instalments, which is the same as in 2019 (see additional information in Section 2.4.2.4 on pages 123 *et seq.* of this Universal Registration Document)..

Variable remuneration

In addition to the fixed remuneration payable to Frédéric Moyne in his capacity as Chief Executive Officer in respect of the 2020 financial year, he will also receive variable remuneration capped at 133% of his fixed remuneration, i.e., €465,500. The target amount of this variable remuneration is set at 100% of the fixed remuneration, i.e., €350,000. Payment of this variable remuneration will be subject to the shareholders voting, at the General Meeting held in 2021 to approve the 2020 financial statements, in favour of the remuneration allocated to the Chairman and Chief Executive Officer for the 2020 financial year (see additional information in Section 2.4.4 on page 133 of this Universal Registration Document).

The actual amount of this variable remuneration will be calculated as shown below, depending on the degree to which Frédéric Moyne achieves the financial objectives and the non-financial quantitative and qualitative objectives set for him by the Board of Directors for the 2020 financial year.

	Weighting (% of target amount)	Target amount (in euros)	Interpolation matrix			
			0% of target amount	50% of target amount	100% of target amount	150% of target amount
FINANCIAL INDICATORS[1]						
2020 consolidated EBITDA (in millions of euros)	22%	77,000	< 98% of target	98% of target	100% of target	≥ 105% of target
2020 consolidated net income, Group share (in millions of euros)	22%	77,000	< 96% of target	96% of target	100% of target	≥ 110% of target
2020 consolidated free cash flow from operating activities (in millions of euros)	22%	77,000	< 90% of target	90% of target	100% of target	≥ 123% of target
Sub-total financial indicators	**66%**	**231,000**				
QUANTITATIVE NON-FINANCIAL INDICATORS						
Fall in workplace accident frequency rate in 2020 compared with 2019 (in absolute terms)[2]	3%	10,500	≥ 7.80		≤ 7.02	
2020 workplace accident severity rate kept under the Group target of 0.5 and better than in 2019 (in absolute terms)[3]	3%	10,500	≥ 0.22		≤ 0.20	
Improvement in the Group's Vigeo Eiris rating in 2020 compared with 2019 (in points)[4]	6%	21,000	< 59	60	≥ 62	
Sub-total quantitative non-financial indicators	**12%**	**42,000**				
QUALITATIVE NON-FINANCIAL INDICATORS						
Qualitative targets[5]	22%	77,000				
Sub-total qualitative non-financial indicators	**22%**	**77,000**				
Total	**100%**	**350,000**				

1. *Should the objective set for the Chief Executive Officer for each of the three financial objectives exceed 105% of the 2020 consolidated EBITDA target, 110% of the 2020 consolidated net income, Group share target, and 123% of the 2020 consolidated free cash flow from operating activities target, the portion of his variable remuneration for each of the financial objectives will be capped at 150% of the target amount of variable remuneration corresponding to each of these objectives.*
2. *Number of workplace accidents involving Group staff resulting in over 24 hours lost time per million hours worked (all businesses and all geographic areas).*
3. *Number of days' sick leave (lost-time >24 h) due to workplace accidents involving Group staff per thousand hours worked (all businesses and all geographic areas).*
4. *Rating obtained by the Group following an assessment by Vigeo Eiris, a non-financial rating agency.*
5. *The qualitative non-financial objectives set for Frédéric Moyne in respect of the 2020 financial year are linked to progress on projects pertaining to the energy transition in the Overseas Thermal Biomass business (weighting of 5.5%), progress on the delivery of other development projects (weighting of 5.5%), the improvement of the Group's non-financial performance (weighting of 5.5%) and human resources and talent management (weighting of 5.5%).*

Bonus performance share plans and options to subscribe or purchase shares

Under the remuneration policy for corporate officers, Frédéric Moyne was awarded 29,076 performance shares under a "2020 plan" established by the Board of Directors on 2 March 2020 on the basis of the authorisation granted by the General Meeting of 30 May 2018. The plan established, under which 303,971 performance shares were awarded, representing 0.97% of the share capital at 31 December 2019, out of the 919,000 performance shares that could be awarded under the authorisation granted by the General Meeting, representing 2.93% of the share capital at 31 December 2019, this plan representing the third and final phase of a three-year programme staggered from 2018 to 2020, each of which involving around 1.00% of the share capital[1].

1. *See additional information in Sections 6.4.1 on page 267 and 6.4.3.1 on pages 270 et seq. of this Universal Registration Document on the bonus performance share plans set up in 2018 and 2019 under the same authorisation granted by the General Meeting.*

Benefits in kind, occupational insurance and retirement benefits

The benefits in kind to which Frédéric Moyne will be entitled in his capacity as Chairman and Chief Executive Officer for the 2020 financial year will correspond 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 loss of employment for company managers and executives (*Garantie Sociale des Chefs et Dirigeants d'Entreprise* - GSC);
- the adding back of contributions to the occupational insurance plan over and above the maximum amounts set in applicable laws and regulations.

Frédéric Moyne will remain a member of the occupational insurance plan (covering healthcare, incapacity, disability and death) and the AGIRC-ARRCO mandatory group supplementary pension plan open to all the Company's employees categorised as executive staff. His membership of the mandatory group supplementary defined contribution pension plan open to all Company employees will be maintained.

Remuneration and commitments on departure

In 2020, Frédéric Moyne will benefit from the commitments described in Section 2.4.2.9 on pages 129 *et seq.* of this Universal Registration Document.

2.4.4. SHAREHOLDERS' VOTE ON THE REMUNERATION OF CORPORATE OFFICERS

At the General Meeting of 27 May 2019, a large majority approved the remuneration package owed or awarded to the Chairman of the Board of Directors and the Chief Executive Officer in respect of the 2018 financial year (approved by 99.72% and 99.78%, respectively, compared with 98.23% and 99.80% at the General Meeting of 30 May 2018), as presented to them.

Furthermore, at the General Meeting of 27 May 2019, the shareholders also voted by a large majority in favour of the remuneration policy proposed by the Board of Directors with effect from 1 January 2019 for non-executive corporate officers (adopted by 99.65%) and executive corporate officers (adopted by 96.53%).

At the General Meeting of 29 May 2020, shareholders will be asked to approve:

- the content of the report provided for in Article L. 225-37 of the French Commercial Code on the remuneration of corporate officers, as included in this Universal Registration Document;
- the components of remuneration paid or awarded in respect of the 2019 financial year to the Chairman of the Board and the Chief Executive Officer, the favourable vote of the General Meeting governing the payment of the variable remuneration of the Chief Executive Officer for said financial year (a summary of the remuneration components subject to a vote can be found in Section 7.2.1.4 on pages 286 *et seq.* of this Universal Registration Document);
- the corporate officer remuneration policy applicable as from 1 January 2020 (a summary of the remuneration components subject to a vote can be found in Section 7.2.1.5 on pages 288 *et seq.* of this Universal Registration Document).

2.5. Summary of trading in 2019 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 shows the transactions reported during the 2019 financial year by the corporate officers, their families and friends in accordance with Article L. 621-18-2 of the French Monetary and Financial Code.

Person reporting transaction	Financial instrument	Type of transaction	Date of transaction	Execution venue	"Price per share (in euros)"	"Amount (in euros)"	Number of shares	AMF decision and information number
Frédéric Moyne	Shares	Purchase[1]	29/05/2019	OTC	-	-	50,274	2019DD610468
Bpifrance Investissement	Shares	Subscription[2]	10/07/2019	OTC	17.91	510,399.18	28,498	2019DD624604
Frédéric Moyne	Shares	Subscription[2]	10/07/2019	OTC	17.91	17,462.25	975	2019DD624614

1. *Vesting of performance shares awarded under the "2016 managers and administrative staff" bonus performance share plan adopted by the General Meeting of 24 May 2016 (see additional information in Section 6.4.3.3 on page 273 of this Universal Registration Document).*
2. *Payment in new shares of 50% of the dividend for the 2018 financial year.*

2.6. AFEP/MEDEF Code recommendations not applied by the Company

AFEP/MEDEF Code recommendations	Company's explanations
Requirement to retain shares § 22 of the AFEP-MEDEF Code: "The Board of Directors sets a minimum number of shares that corporate officers are required to keep in registered form throughout their term of office. This decision is reviewed at least each time a term of office is renewed. [...] Until this minimum is achieved, corporate officers are required to allocate to this end a portion determined by the Board of the option exercises or performance shares they receive. This information can be found in the corporate governance report."	Corporate officers are only formally required to keep in registered form, until the end of their terms of office, 25% of the performance shares vesting under the bonus performance share plans for which they are eligible, as the Board of Directors has not introduced any separate rule that would require them to hold an increasing number of shares throughout their terms of office. However, the very large number of shares held by the Chairman and Chief Executive Officer as at 31 December 2019 is sufficient to act as an incentive for him to take a long-term approach and exposes him to a significant level of risk that ensures his interests are aligned with those of shareholders. The subscription by the Chairman and Chief Executive Officer of a significant number of warrants under the Group's investment plan for key managers launched by the Board of Directors in 2018 improves this alignment. See additional information in Sections 2.4.2.8 on pages 127 *et seq.*, 6.4.3.1 on pages 268 *et seq.* and 6.2.2.2 on pages 258 *et seq.* of this Universal Registration Document.

2.7. Related-party agreements and commitments, information on related parties

2.7.1. INTERNAL ASSESSMENT PROCEDURE FOR THE AGREEMENTS FALLING WITHIN THE SCOPE OF ARTICLES L. 225-38 AND 39 OF THE FRENCH COMMERCIAL CODE

On 27 April 2020, the Board of Directors approved a Charter for evaluating related-party agreements setting out the applicable laws and regulations and defining an internal procedure allowing the identification, classification and evaluation of agreements falling within the scope of Articles L. 225-38, L. 225-39 and L. 225-42 of the French Commercial Code.

This Charter can be found on the Company's website. Its application is regularly assessed by the Board of Directors, deliberating on the recommendations of the Audit, Accounts and Risks Committee.

The key principles of the procedure put in place are as follows.

- When a draft agreement to be entered into by the Company is felt to potentially fall within the scope of Articles L. 225-38, L. 225-39 and L. 225-42 of the French Commercial Code it must be referred to the Group's Ethics and Compliance Officer.
- The Ethics and Compliance Officer, having regard to the principles set out in the Charter, is tasked with determining whether the draft agreement does indeed come under the Charter (where this is not the case the agreement is immediately green-lighted) and, as the case may be, classifying this draft agreement as follows:
  - in the category of forbidden agreements referred to in Article L. 225-42 of the French Commercial Code, such a classification immediately terminating any plans to sign the agreement;
  - in the category of agreements referred to in Article L. 225-39 of the French Commercial Code involving arm's length transactions, such a classification resulting in the immediate green-lighting of the agreement. Any such agreements are subject to an annual review by the Board of Directors, deliberating on the recommendations of the Audit, Accounts and Risks Committee. This is to assess whether the classification is appropriate and to ensure it continues to be pertinent in light of changing circumstances;
  - in the category of agreements referred to in Article L. 225-38 of the French Commercial Code, such a classification requiring the inclusion on the agenda of a meeting of the Board of Directors of a decision to authorise the signing of the agreement. Such agreements, detailed on the Company's website, are also notified to the Statutory Auditors for the purposes of drafting their special report referred to in Article L. 225-40 of the French Commercial Code, made available to shareholders who will be asked to subsequently approve these agreements at the General Meeting, and subject to an annual review by the Board of Directors, deliberating on the recommendations of the Audit, Accounts and Risks Committee, to determine whether the classification continues to be pertinent in light of changing circumstances.

The 2020 Universal Registration Document will report on the application of this Charter during said financial year.

2.7.2. SPECIAL REPORT BY THE STATUTORY AUDITORS ON RELATED-PARTY AGREEMENTS

PricewaterhouseCoopers Audit
63 rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars
Tour Exaltis – 61 rue Henri Regnault
92400 Courbevoie

To the Albioma General Meeting,

In our capacity as Statutory Auditors of your Company, we are pleased to present our report on related-party agreements.

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, and the reasons why they are in the interest of the Company. 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, 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 French Commercial Code concerning the continued performance during the past financial year of the agreements previously approved by the General Meeting.

We followed the procedures that 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.

AGREEMENTS SUBMITTED TO THE GENERAL MEETING FOR APPROVAL

We have not been advised of any agreement authorised and entered into during the past financial year that needs to be submitted for approval at the General Meeting in accordance with Article L. 225-38 of the French Commercial Code.

AGREEMENTS ALREADY APPROVED BY THE GENERAL MEETING

We hereby inform you that we have not been advised of any agreement that has already been approved by the General Meeting that continued to be performed during the past financial year.

Neuilly-sur-Seine and Courbevoie, on 29 April 2020,

The Statutory Auditors,

PricewaterhouseCoopers Audit
Jérôme Mouazan
Partner

Mazars
Daniel Escudeiro
Partner

2.7.3. AGREEMENTS GOVERNED BY ARTICLE L. 225-37-4 (2) OF THE FRENCH COMMERCIAL CODE

None.

2.7.4. INFORMATION ON RELATED PARTIES

Additional information about related parties is disclosed in note 36 to the 2019 consolidated financial statements, in Section 4 on page 199 of this Universal Registration Document.

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3.1. Key figures

3.1.1. FINANCIAL DATA

In millions of euros	2019	2018 reported	Change
Revenue	505.7	428.3	18 %
EBITDA[1]	182.9	162.6	12 %
Net income, Group share[1]	44.1	44.2	-

1. *Including effect from IFRS 16 restatement in 2019 for €3.1 million on EBITDA and €(0.4) million on net income, Group share. No restatement was made in 2018.*

3.1.2. INSTALLED CAPACITY AND PRODUCTION

	Operated capacity (in gross MW)			Production (in GWh)		
	2019	**2018**	**Change**	**2019**	**2018**	**Change**
Albioma Bois-Rouge	108	108	-	611	581	30
Albioma Le Gol	122	122	-	719	678	41
Albioma Le Moule[1]	102	102	-	436	503	(67)
Albioma Galion[2]	80	80	-	271	111	160
Albioma Saint-Pierre	41	-	41	24	-	24
France - Thermal biomass	**453**	**412**	**41**	**2,061**	**1,874**	**187**
OTEO La Baraque	90	90	-	540	443	97
Terragen	70	70	-	427	414	13
OTEO Saint-Aubin	35	35	-	234	227	7
Mauritius	**195**	**195**	**-**	**1,200**	**1,084**	**116**
Albioma Rio Pardo Termoelétrica	60	60	-	87	79	8
Albioma Codora Energia	68	68	-	164	159	5
Albioma Esplanada Energia[3]	65	40	25	140	-	140
Brazil	**193**	**168**	**25**	**391**	**238**	**153**
Thermal Biomass	**841**	**775**	**66**	**3,652**	**3,196**	**457**
French overseas departments and regions	68	62	6	81	77	4
Outside France	4	4	-	6	6	-
Metropolitan France[4]	28	26	2	35	10	26
Solar Power[4]	**100**	**92**	**8**	**123**	**92**	**30**
Anaerobic Digestion[5]	**-**	**-**	**-**	**-**	**18**	**(18)**
Group Total	**941**	**867**	**74**	**3,775**	**3,306**	**469**

1. *Including Albioma Caraïbes.*
2. *Including the Galion 2 power plant, commissioned on 26 September 2018.*
3. *Entity consolidated as from 21 December 2018, and commissioning of a new turbine in 2019.*
4. *Including a 0.5 MW hydroelectric power plant – Albioma Solaire France (formerly Eneco France), consolidated as from 12 December 2018.*
5. *Anaerobic Digestion business sold on 10 December 2018.*

3.1.3. AVAILABILITY RATE

The availability of a production facility is the ratio between the energy actually produced by the thermal power plant during a given period and the energy that could theoretically be produced by that plant during that same period. The availability of a production facility is adversely affected mainly by the downtime needed for the scheduled maintenance work and by unplanned shutdowns.

The terms of the agreements entered into with EDF for the thermal power plants located in Overseas France include availability targets. If the plants' availability during the financial year is higher than that specified in the agreement, the plant receives additional remuneration known as a "bonus". If it is lower than the specified rate, the plant's remuneration is reduced by a "penalty". As regards the agreements entered into with EDF for the purposes of making the plants compliant with the Industrial Emissions Directive (IED) or the biomass conversion of plants, the targets are adjusted to take into account the increased downtimes.

	2019	2018
Albioma Bois-Rouge	83.4%	80.5%
Albioma Le Gol	90.3%	88.2%
Albioma Le Moule[1]	86.4%	94.0%
Albioma Galion[2]	92.2%	90.7%
Albioma Saint-Pierre	92.0%	-
French overseas departments and regions Total	**88.2%**	**87.9%**
Terragen	92.0%	93.1%
OTEO Saint-Aubin	91.7%	89.8%
OTEO La Baraque	91.6%	77.6%
Mauritius Total	**91.8%**	**85.4%**
Group Total	**89.3%**	**87.2%**

1. *Including Albioma Caraïbes.*
2. *Including the Galion 2 power plant, commissioned on 26 September 2018.*

3.2. Highlights of the year

3.2.1. FRANCE - THERMAL BIOMASS BUSINESS

3.2.1.1. Commissioning of a new combustion turbine on Reunion Island and completion of programme to bring plants into compliance with the IED directive

At 31 December 2019, installed capacity in Overseas France totalled 453 MW, higher than at 31 December 2018 as a result of the commissioning, on 25 February 2019 on Reunion Island, of the peak-load combustion turbine operating on sugar-cane based bioethanol and diesel fuel.

Dedicated to the production of renewable energy, the combustion turbine operates with two types of fuel: bioethanol, derived from the distillation of sugar cane molasses, produced locally at the Rivière du Mât distillery, and diesel fuel, which is needed to start the turbine. With a capacity of 41 MW, the combustion turbine is a flexible and highly-reactive means of production. Designed to start up in less than seven minutes, it supports consumption peaks, especially at the end of the day, and helps secure the Reunion Island grid. It facilitates the integration and management by the network of other sources of renewable energy, such as solar power. The commissioning of the Saint-Pierre combustion turbine highlights Albioma's engineering know-how and confirms its status as a key player in renewable energies, controlling the production of baseload or peak energy.

The programme of works to make their fume treatment systems compliant with the European Industrial Emissions Directive (IED) was continued on the Bois Rouge and Le Moule power plants during the annual maintenance outages that took place under good conditions and in accordance with the scheduled time scales and budgets.

The availability rate in 2019 was 88.2%, compared with 87.9% in 2018. Availability was impacted by shutdowns for compliance work on the final tranches of the Bois-Rouge and Le Moule power plants. In accordance with the terms of riders to the power purchase agreements entered into in 2016 and 2017, EDF compensated Albioma for the effects of these shutdowns for a six-week period. All the power plants ran smoothly despite several technical incidents that occurred at the Bois-Rouge and Le Gol plants. For their first year of operation, the new Galion 2 and Albioma Saint-Pierre plants achieved excellent performance with high availability rates of 91.8% and 92.0% respectively.

In Martinique, the EDF duty rate of the Galion combustion turbine was 12.5%, lower than that achieved in 2018 (22.1%), as a result of the commissioning of the Galion 2 base-load plant.

At 2,061 GWh, power generation was significantly higher than in 2018 (1,874 GWh), due mainly to the commissioning of new means of production and the duty rate on Reunion Island starting to rise again. These two factors largely compensated for the impacts of the long-term shutdowns carried out as part of the work to bring the facilities into compliance with the IED directive and the fall in the duty rates in Guadeloupe.

3.2.1.2. Changes in the economic and regulatory environment

After rising in 2018, coal prices fell slightly in 2019. Prices averaged €95 per tonne, compared with €102 per tonne in 2018. Conversely, fuel-oil prices continued to rise in 2019. These price movements had a negative impact (-€4.8 million) on the Group's revenue but did not significantly affect profit margins, as electricity sale prices are contractually indexed to fuel costs.

Concerning carbon emissions, the contracts between all of the Group's thermal power plants in the French overseas departments and regions 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 fees and after transferring any free quotas allocated in respect of their cogeneration activity. In accordance with the ministerial order issued on 24 January 2014, the Bois-Rouge, Le Gol and Le Moule power plants received 131,168 tonnes of free quotas in respect of 2019 in recognition of their cogeneration activity.

The Group continued to execute its compliance works investment programme, enabling its thermal power plants to conform to the industrial emissions regulations laid down by the Industrial Emissions Directive (IED).

3.2.1.3. Project development: launch of first biomass conversion project in Guadeloupe

The conversion work at the Albioma Le Moule plant is proceeding according to the operating plan; it relates to one of the plant's three tranches and will reduce emissions by more than 265,000 tonnes of CO_2 equivalent (a net decrease of around 87% compared with current coal operation), and will thereby increase the renewable portion of Guadeloupe's energy mix from 20% to 35%.

To finance the provision of new infrastructure and changes to one of its tranches, to enable it to operate exclusively on biomass, as a complete alternative to coal, by the end of 2020, the plant took out a new long-term loan (19 years, without recourse to shareholders) of €68 million, in addition to its existing debt.

3.2.2. FRANCE AND SOUTHERN EUROPE – SOLAR POWER BUSINESS

3.2.2.1. Commissioning of the winning projects under the CRE 2016 call for tenders: Reunion Island and Guadeloupe

The Solar Power business, based mainly in Overseas France, benefits from very long sunshine hours and purchase prices that are higher than in metropolitan France.

Albioma now operates photovoltaic power plants with a total capacity of 102 MWp, higher than in 2018 due to the commissioning of new facilities during 2019 on Reunion Island (including, in particular, the Port Ouest power plant), in Mayotte and Guadeloupe (Sainte-Rose power plant).

Excluding the consolidation scope effect related to the acquisition of Eneco's French subsidiary in late-2018, photovoltaic power generation was up 5% on the previous year, due to the commissioning of these new facilities.

Port Ouest, with a total power of 1.34 MWp and equipped with Li-ion energy storage batteries with a capacity of 1.33 MWh, is the first plant in service on Reunion Island. It was built following a 2016 request for proposals issued by the French energy regulator (*Commission de Régulation de l'Énergie - CRE*), covering the construction and operation of photovoltaic solar power plants with integrated energy storage located in areas not connected to mains electricity. The purchase contract signed with EDF will last for 25 years. The power plant is located in two industrial units used for port activities, with no conflict of use. As well as the power guaranteed by the batteries, this power plant will provide energy every day at peak times in the evening (between 7.0 pm and 9.00 pm); the technology used for this power plant enables the problem of intermittent production of standard solar power plants to be resolved, thereby stabilising and guaranteeing production during the day (mitigating the effect of cloudy weather and changes in the meteorological conditions), as well as improving forecasts.

On 28 June 2019, the Sainte-Rose photovoltaic power plant in Guadeloupe, with a capacity of 3.3 MWp, was also commissioned. This plant also won the 2015 Energy Regulation Board (CRE) tender for the construction and operation of photovoltaic solar power plants with energy storage located in areas not connected to mains electricity. The project, led by Albioma Énergipole Solaire, in which Albioma and the Énergipole Group are 50% shareholders, thus helps smooth production and contributes to the stability of the network, in addition to the other means of production on the island, mainly the thermal biomass power plant Albioma le Moule. The long-term purchase agreement signed with EDF is established for a period of 25 years. The plant is located in Guadeloupe, within the grounds of the Ecopôle de l'Espérance, a non-hazardous waste storage facility, on land without conflict of use. This project was built as part of the TEPCV (Positive-energy for green growth area) initiative, for which the Nord Basse-Terre urban authority (CANBT) was selected. The commissioning of the solar photovoltaic plant in Sainte-Rose will prevent the release into the atmosphere of around 3,750 tonnes of CO2 per year. Present since 1998 in Guadeloupe, Albioma thereby contributes to achieving the objectives of 50% renewable energy in electricity consumption by 2020 and energy autonomy by 2030 set by the law on the Energy Transition for Growth Green through the multi-year energy plans.

On 20 December 2019, Albioma Solaire France sold its subsidiary Eco Énergie Habitation (EEH). This company, which operated 137 power plants on residential rooftops with capacity of 6 to 9 kWp each and total capacity of 1.2 MWp, was not consistent with Albioma Solaire France's strategy of developing larger rooftop power plants.

3.2.2.2. Refinancing of the photovoltaic assets in metropolitan France acquired in December 2018

Albioma Solaire France - the subsidiary that owns and operates the photovoltaic power plants acquired from Eneco in December 2018 - has contracted a long-term €61 million loan. This non-recourse project loan refinances the existing assets and includes an amount for funding the construction of a portfolio of small- and medium-power photovoltaic power plants. This funding secures the growth of the Group's solar power business in metropolitan France on very attractive terms. The lenders are Natixis Energeco and Unifergie.

3.2.2.3. Continued construction of facilities that are innovative or benefit from a purchase obligation tariff

The Group continued the construction of photovoltaic plants with storage (Stade de l'Est on Reunion Island, whose commissioning is scheduled for the first half of 2020) and rooftop projects on Reunion Island, in Mayotte and in mainland France.

Albioma also won a 7.4 MW battery power storage project with a capacity of 14.9 MWh during the first call for projects organised by the French energy regulatory commission (*Commission de Régulation de l'Energie* - CRE), relating to storage facilities in Mayotte. This innovative project will provide an arbitration service for the grid operator by drawing electricity, especially during periods of strong sunshine, and reinjecting it later, during peak consumption times. The load transfer provides flexibility to the electricity system and increases the penetration of renewable energies on the Mayotte network and in particular solar power. This project will contribute to reducing the CO_2 emissions of the thermal installations by 6,100 tonnes per year in Mayotte. It is scheduled to begin operating early in 2021.

3.2.3. MAURITIUS

The Group's plants in Mauritius had a combined thermal capacity of 195 MW at 31 December 2019, unchanged from 2018. The Mauritian plants are accounted for using the equity method. The Group has a 25% stake in both OTEO Saint-Aubin and OTEO La Baraque and a 27% stake in Terragen.

All of the power plants performed well during the period. The average annual availability was 91.8% in 2019, compared with 85.4% in 2018. At 1,200 GWh, production was higher than in the previous year (1,084 GWh). In 2018, a breakdown affecting one of the alternator rotors at the OTEO La Baraque power plant resulted in one of the tranches being unavailable for several weeks.

3.2.4. BRAZIL

3.2.4.1. Existing plants achieve good performances and a new unit is consolidated

Production increased significantly in Brazil, due to the good performances achieved by the existing plants and the consolidation scope effect following the acquisition in December of a new cogeneration plant (Albioma Esplanada Energia). In the case of this unit, whose annual crushing capacity is expected to reach 2.8 million tonnes of sugar cane, renovation work to the existing boilers and the installation of a new 25 MW turbine brought the site's total capacity to 65 MW. By improving cogeneration yields and reducing the refinery's steam consumption, it has been possible to export 140 GWh of energy to the distribution network with effect from the 2019 harvest. More than 90% of energy sales have been secured in the regulated market: the request for proposals issued on 18 December 2017 (*leilão de energia nova A-4*) resulted in long-term cogeneration contracts, under the terms of which 75 GWh per year, starting in 2021, is sold at an inflation-linked BRL 258/MWh.

Against a stable macro-economic backdrop, the other Brazilian thermal power plants Albioma Rio Pardo Termoelétrica and Albioma Codora Energia have delivered good operational performances. Despite a late start to the sugar harvest due to heavy rainfall at the beginning of the year, the volume of milled cane was significantly higher than in the previous year (up 20% to 3.4 million tonnes compared with 2.7 million tonnes in 2018) and energy production for the two entities increased by 5%, from 238 GWh in 2018 to 251 GWh in 2019. This volume effect offset the slight fall in sales prices in 2019, in line with the movement in spot prices. In order to limit its exposure to the volatility of spot prices, the Group has secured just over 90% of its sales for the next five years by means of long-term purchase contracts under the terms of calls for tender organised by the regulator or short-term contracts negotiated with industrial customers.

3.2.4.2. Vale do Paraná plant: first fire scheduled for early 2020

Work continued on the construction of the Vale do Paraná power plant (40%-owned by the Group) including the installation of a new 34 MW turbine (48 MW installed eventually) and the construction of an 18 km transmission line. The plant is scheduled to be commissioned at the end of the first half of 2020. Agreements in the regulated market have been entered into for this new unit covering an annual volume of electricity of 120 GWh as from 2021.

3.2.5. HOLDING COMPANY

3.2.5.1. Changes in governance and in the Board of Directors

At the end of the Annual General Meeting of Albioma's shareholders on 27 May 2019, the Board of Directors confirmed its decision, announced in March 2018, to merge the roles of Chairman of the Board of Directors and of Chief Executive Officer, thereby marking the end of the transition period that began on 1 June 2016 with the appointment of Frédéric Moyne as Chief Executive Officer. Frédéric Moyne thereby succeeded Jacques Pétry as Chairman of the Board of Directors, the latter having resigned as Chairman of the Board of Directors and as Director.

The Board of Directors welcomed two new members. Florence Lambert, whose nomination was approved by the General Meeting, took up the role of independent Director to succeed Valérie Landon, who did not seek reappointment. Frank Lacroix was co-opted as an independent Director to succeed Jacques Pétry. Pierre Bouchut, an independent Director since 2018, was appointed Lead Independent Director, custodian of the balance of power on the Board of Directors following the merger of the roles of Chairman of the Board of Directors and of Chief Executive Officer.

3.2.5.2. New short-term finance

On 7 June 2019, Albioma signed a €60 million bank facility with French and international banks, under very favourable market conditions. This revolving financing follows a previous line of €40 million, which was coming to an end. With a maturity of five years, which may be extended to seven years, this additional €20 million facility reflects the Group's growth momentum. It will provide the Group with increased financial flexibility, particularly for the purposes of corporate acquisitions or specific cash requirements.

3.2.5.3. 2018 dividend

The Ordinary and Extraordinary General Meeting of Shareholders on 27 May 2019 approved the payment of a dividend of €0.65 per share with an option for the payment of 50% of the dividend in the form of new shares. The option, which could be exercised between 13 June and 4 July 2019 inclusive, enabled shareholders to have 50% of the dividend for the 2018 financial year (set at €0.65) paid in new shares, issued at a price of €17.91 per share. This price was calculated as 90% of the average of the first share price on Euronext during the twenty trading days prior to the decision to distribute, less the net dividend amount, the amount resulting from this formula being rounded up to the next cent. Under the terms of the option, shareholders subscribed for 389,889 new shares, giving a reinvestment rate of 69.80%.

3.3. Comments on the consolidated financial statements

3.3.1. INCOME STATEMENT

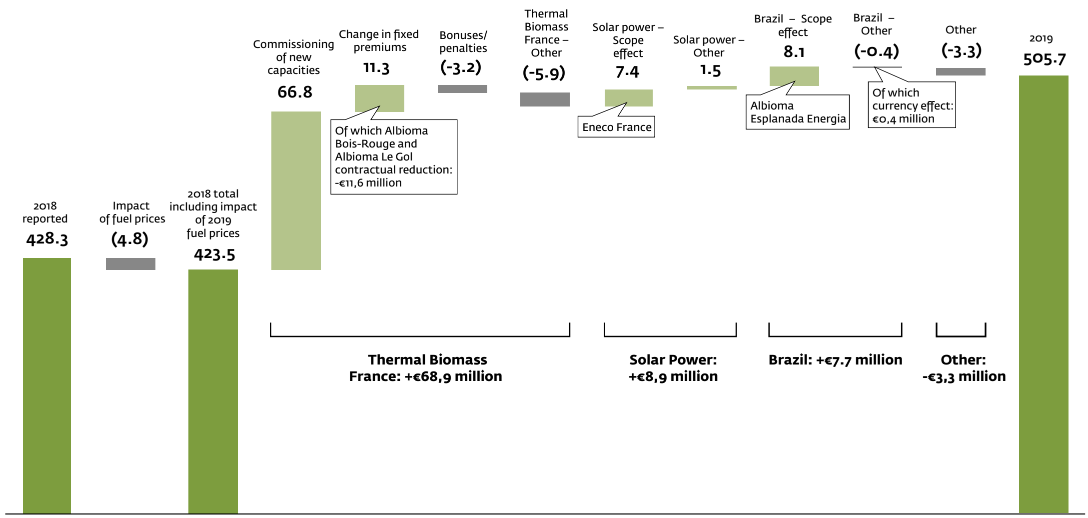
3.3.1.1. Revenue

In millions of euros	2019	2018 reported	Change
France – Thermal Biomass	427.5	363.4	18%
France and Southern Europe – Solar Power	50.4	41.5	21%
Brazil	25.4	17.6	44%
Holding company	2.5	5.8	(57%)
Revenue	**505.7**	**428.3**	**18%**

Revenue for 2019 was up 18% compared with 2018.

The change can be analysed as follows:

In millions of euros



Stripping out the impact of changes in fuel prices of -€4.8 million linked to the decrease in the average price of coal between 2019 and 2018 (although this had no direct effect on the profit margin due to electricity sales prices being contractually indexed to fuel costs), revenue increased by 19%. This increase was due to the combined effects of:

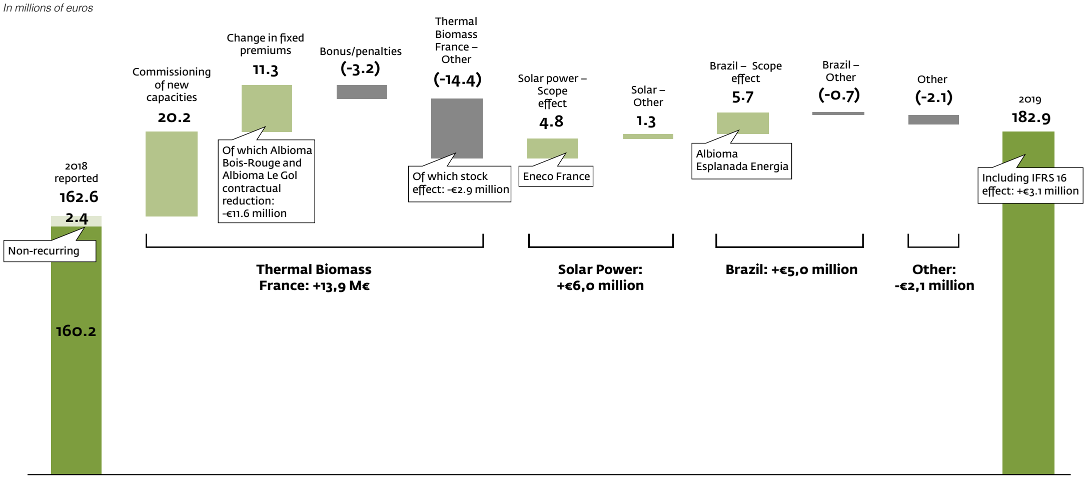
- the full-year effect of the Galion 2 power plant commissioned in September 2018 and of the commissioning of the Saint-Pierre combustion turbine in February 2019;
- the increase in the fixed premiums and the variable remuneration as a result of the indexation provided for by the power purchase agreements of the thermal power plants in the French overseas departments and regions and the additional fixed premiums received in respect of the investments to bring the plants into compliance with the IED Directive;
- the contractual reduction in the basic fixed premiums in respect of the Bois-Rouge and Le Gol power plants as from 1 January 2019;
- technical shutdowns being carried out smoothly and the unplanned shutdowns of certain tranches of the power plants on Reunion Island as a result of technical incidents;
- a negative volume effect, notably due to the effect of the decrease in production of the Galion combustion turbine in Martinique, which fell from 74 GWh in 2018 to 40 GWh in 2019 due to the smooth operation of the Galion 2 base-load plant commissioned in late 2018;
- the scope effect in Brazil resulting from the consolidation of the Albioma Esplanada Energia power plant at the end of December 2018;
- the increase in revenue from the Solar Power Business as a result of the consolidation of the subsidiary Albioma Solaire France acquired in December 2018 (Eneco's former French subsidiary) and the commissioning of new facilities in the French overseas departments and regions and in metropolitan France.

3.3.1.2. EBITDA

In millions of euros	2019	2018 reported	Change
France – Thermal Biomass	137.4	123.6	11%
France and Southern Europe – Solar Power	36.3	30.1	21%
Brazil	10.7	6.5	65%
Holding company, Mauritius and Other	(1.6)	2.4	(164%)
EBITDA	**182.9**	**162.6**	**12%**

EBITDA came to €182.9 million, a 12% increase compared with 2018. In 2018, it included non-recurring items totalling €2.4 million in respect of the repayment of social security contributions related to the former bonus performance share plans, whose contribution principle was invalidated by the French Constitutional Council. In 2019, it included the effect of the IFRS 16 restatement, which totalled €3.1 million (there was no such restatement in 2018). Stripping out non-recurring items and the IFRS 16 restatement, EBITDA increased by 12%.

In millions of euros



EBITDA for the Thermal Biomass France business was up 11% compared with 2018. This improvement was due mainly to the full-year effect, the commissioning of new capacities and rate revisions to compensate for the cost of the work to make the facilities for processing liquid and gaseous waste compliant with current standards, which largely offset the contractual reduction in the basic fixed premiums recognised since 1 January 2019 in respect of Albioma Bois-Rouge and Albioma Le Gol.

EBITDA for the Brazil business was up by €5 million compared with 2018 due mainly to the consolidation in 2019 of the results of the Albioma Esplanada Energia power plant.

EBITDA for the other businesses was up by €3.9 million, due notably to the acquisition of Eneco France in late 2018 and the contribution of the newly-commissioned facilities.

3.3.1.3. Charges for depreciation, amortisation and provisions and other non-cash items

The increase in "Charges for depreciation, amortisation and provisions" to €69.8 million compared with €51.3 million in 2018 was due notably to the full-year effects and to the commissioning of the new Galion 2 and Saint-Pierre plants, a consolidation scope effect related to the corporate acquisitions in late 2018 and the additional commissioning of equipment for processing liquid and gaseous waste from existing plants and new photovoltaic plants. This item also includes a €2.3 million depreciation charge in respect of the right-of-use asset recognised in the statement of financial position in respect of operating leases in accordance with IFRS 16, which has been applied since 1 January 2019.

Charges for amortisation of electricity and steam supply agreements also increased to €6.8 million due to the allocation of the acquisition prices of recent corporate acquisitions (Albioma Solaire France, Eneco's former French subsidiary, and Albioma Esplanada Energia in Brazil), which resulted in part of the value being allocated to the electricity sales contracts, amortised over the term of said contracts.

3.3.1.4. Net financial income (expense)

Cost of financial debt increased: from €23.4 million to €30.7 million in 2019. This change was due mainly to:

- the financial expenses related to the commissioning of the new facilities and to the recent corporate acquisitions;
- the amount recognised in respect of hedging instruments, which amounted to €10.4 million, compared with €8.1 million in 2018. This amount corresponds to interest disbursed or accrued under swap contracts.

It also included €1.3 million of interest charges related to the right-of-use assets (IFRS 16).

The main components of other financial income were income from cash investments and income from deposits. In 2018, as a result of the improved refinancing terms for the photovoltaic plants in the Indian Ocean region, in accordance with IFRS 9 the Group recognised non-recurring financial income of €3.5 million.

Stripping out non-recurring items and the IFRS 16 restatement, net financial expense increased from €23.3 million in 2018 to €28.9 million in 2019.

3.3.1.5. Tax charge

The tax charge came to €23.7 million, compared with a charge of €29.9 million in 2018. It comprised the tax charge payable in respect of the period and the deferred tax.

The restated effective tax rate[1] for the year ended 31 December 2019 came to 31.6% compared with 33.8% in 2018.

3.3.1.6. Net income, Group share

For the year ended 31 December 2019, the net income, Group share of €44.1 million was stable as compared with 2018.

1. *Restated effective tax rate: tax rate restated notably for the effects of impairment losses on which no tax saving was recorded because there is no prospect of recovery in the short term, and excluding Brazil.*

3.3.2. STATEMENT OF CASH FLOWS

In millions of euros	2019	2018 reported
Cash flow from operations	186.5	164.1
Change in the working capital requirement	23.2	(25.8)
Tax paid	(36.9)	(26.9)
Cash flow from operating activities	**172.8**	**111.4**
Operating capex	**(17.4)**	**(14.2)**
Free cash-flow from operating activities	**155.5**	**97.2**
Development capex	(131.7)	(128.7)
Other/acquisitions/disposals	0.2	(49.1)
Net cash flow from investing activities	**(131.5)**	**(177.8)**
Dividends paid to Albioma shareholders	(13.0)	(12.8)
Borrowings (increases)	226.3	178.8
Borrowings (repayments)	(130.1)	(41.5)
Cost of financial debt	(30.7)	(23.6)
Other	(9.2)	(16.0)
Net cash flow from financing activities	**43.3**	**84.8**
Currency effect on cash and cash equivalents and other changes	(1.4)	(1.0)
Net change in cash and cash equivalents	**65.8**	**3.2**
Opening net cash and cash equivalents	95.3	92.1
Closing net cash and cash equivalents	**161.1**	**95.3**

3.3.2.1. Cash flow from operating activities

These cash flows came to €172.8 million, which was a significant increase over the €111.4 million generated in 2018. This increase was due to the improvement in cash flow from operations from €164.1 million to €186.5 million related to the activity and due to a positive change in the working capital requirement (€23.2 million), the trade receivables due from EDF in respect of all of the thermal power plants having been paid before 31 December, which was not the case the previous year as some had been paid in early January 2019, and the stocks of fuel having decreased (delivery of a single shipload of coal to Reunion Island compared with two the previous year).

3.3.2.2. Cash flow from investing activities

This item breaks down as follows:

- operating investment expenses: these comprised investment expenses for power plants in operation, primarily in connection with the servicing, maintenance, repair, optimisation and modernisation work and investment programmes for the thermal power plants. These expenses increased from €14.2 million in 2018 to €17.4 million in 2019, in line with the increase in the number of power plants in operation;
- development investment expenses: these totalled €131.7 million, compared with €128.7 million in 2018. The main components of these expenses were expenses related to the completion of the work on the newly-commissioned facilities, those related to the continuation of the programme to bring the thermal power plants in the French overseas departments and regions into compliance with the Industrial Emissions Directive (IED), which is expected to be completed in early 2020, the launch of the biomass conversion programme in Guadeloupe and the construction of new photovoltaic plants in the French overseas departments and regions and in metropolitan France.

The 2018 cash flows included the acquisitions of Eneco France and Albioma Esplanada Energia in Brazil.

3.3.2.3. Cash flow from financing activities

This item amounted to €43.3 million compared with €84.8 million in 2018. €226.3 million of new debt was drawn down: new non-recourse project debt was put in place to finance the solar power assets acquired following the purchase of Eneco's French subsidiary. This drawdown enabled the Group to repay the short-term credit lines which had been used to finance that company's acquisition in December 2018. The remaining debt to finance completion of the work to bring the facilities into compliance with the IED standards was also drawn down in respect of Albioma Bois-Rouge, Albioma Le Gol and Albioma Le Moule. Albioma Le Moule also drew down amounts to finance the conversion work on the third tranche of the power plant and the necessary logistical infrastructure. Short-term corporate debt was also drawn down and repaid on several occasions during the financial year to counter the time lag between drawdowns of project debt.

The increase in the cost of financial debt to €30.7 million was due mainly to the interest charges of the newly-commissioned facilities and of the new debt consolidated in respect of the corporate acquisitions.

3.3.3. FINANCIAL STRUCTURE

At 31 December 2019, the Group's equity totalled €425.2 million. Equity attributable to non-controlling interests was €95.3 million.

Gross borrowings excluding IFRS 16 lease liabilities stood at €938 million at 31 December 2019, up 11% compared with €846 million at 31 December 2018, following drawdowns of debt to finance the completion of the work to bring the power plants into compliance with the Industrial Emissions Directive (IED), the capital expenditure related to the biomass conversion of tranche 3 of the Le Moule power plant, the new photovoltaic plants in the French overseas departments and regions and in metropolitan France, as well as the refinancing of the photovoltaic assets acquired from Eneco France. They consisted of project debt of €834 million and corporate debt of €104 million. Most of the project debt is without recourse to shareholders with the exception of the Brazilian debt, which totalled €30 million at 31 December 2019.

Consolidated net borrowings excluding IFRS 16 lease liabilities came to €773 million after taking into account net cash and cash equivalents of €161 million and security deposits (€4 million of deposits at 31 December 2019), a 3% increase compared to the position at 31 December 2018 (€747 million).

At 31 December 2019, Albioma had consolidated cash and cash equivalents of €165 million (including €4 million of security deposits). This particularly high level of cash was due in part to a time lag between the drawdowns of debt related to the work to bring the power plants into compliance with the Industrial Emissions Directive (IED), said amounts being drawn down in full, and the corresponding capital expenditure, which was not paid for in full.

The Group still had sufficient resources to pursue its development. The signing of a €60 million bank facility in June, €20 million higher than the previous facility, reflects the Group's growth momentum and will provide it with increased financial flexibility, for the purposes, in particular, of corporate acquisitions or specific cash requirements.

3.4. Significant changes in the financial or commercial position

None.

3.5. Key events since 1 January 2020 and outlook

3.5.1. EVENTS AFTER THE REPORTING PERIOD

As at the date on which the company and consolidated financial statements for the 2019 financial year were approved, the Company had not identified any material events which arose after the reporting period.

3.5.2. OUTLOOK

3.5.2.1. Long-term outlook

The Group confirms its objective of sustained expansion. Over the 2013-2023 period, its investment programme, the budget for which totals around €1.5 billion, will focus mainly on new renewable energy production projects in France, Mauritius and Brazil. Opportunities for development in new countries and new businesses are also being examined.

3.5.2.2. 2020 objectives[1]

In millions of euros	**2019 reported**	**2020**
EBITDA	183	200-210
Net income, Group share	44	48-54

1. These objectives were set on a comparable basis to that adopted for the Group's historical financial information and in accordance with its accounting methods.

3.6. Details relating to the Covid-19 epidemic as at the filing date of the Universal Registration Document

As a result of the COVID-19 epidemic and in accordance with the government directives, in particular those concerning vital business sectors, of which energy is one, the Group has implemented appropriate measures for its employees to ensure its plants continue to operate. The travel restriction and lockdown measures are, however, likely to disrupt the preventive and remedial maintenance operations. The scheduled shutdown for completion of the biomass conversion work on tranche 3 of the Le Moule power plant, begun in early March, is expected to be extended, thereby delaying the restart of the plant. At this stage, and excluding any technical incidents, the impacts on the business are expected to remain limited.

3.7. Company financial statements

The Company reported net income of €38.9 million, compared with €27.9 million in 2018.

3.7.1. INCOME STATEMENT

The Company achieved operating income of €1.3 million compared with an operating loss of €3.5 million in 2018. This improvement was due mainly to the increase in revenue and provision reversals. Services billed increased in line with the projects in the construction phase and the commissioning of new facilities.

Net financial income increased from €34.9 million to €44.5 million, due mainly to the increase in income from participating interests, which totalled €48.4 million in 2019 compared with €36.1 million in 2018, as a result of the good results achieved by the Group's subsidiaries during the previous financial year. Interest payable and similar expenses rose slightly in line with the short-term credit lines drawn down as a result of the acquisition of Eneco's French subsidiary at end-2018. The refinancing on 20 March 2019 of this company's assets using non-recourse project debt enabled the repayment of the short-term credit lines applied for to finance the acquisition.

Net non-recurring income/(expense) consisted mainly of income and expenses related to the disposal of equity investments and the change in the provision for liabilities corresponding to the emergence and resolution of disputes during the year.

The tax consolidation scope changed in 2019. It now includes the Company 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 Guyane, Albioma Solaire Fabrègues, Albioma Solaire Réunion, Albioma Solaire France and Albioma Solar Assets France 1.

3.7.2. STATEMENT OF FINANCIAL POSITION

3.7.2.1. Main items

Long-term investments fell from €297.8 million to €275.4 million. Of this amount, equity investments accounted for €274.4 million, lower than in 2018 as a result of Albioma Solaire France's capital reduction in 2019.

Receivables fell to €85.8 million, due mainly to the changes in the intra-Group current accounts. Equity totalled €211.4 million.

Borrowings from financial institutions fell to €103.7 million as a result of the repayment in April 2019 of the short-term debt drawn down for the acquisition of Eneco France.

3.7.2.2. Payment times: payments made to suppliers and received from customers

The tables below show the positions concerning trade payables and trade receivables overdue at 31 December 2019.

Trade payables overdue at 31 December 2019

	Invoices received, unpaid and overdue at the reporting date (Article D. 441-4 (I) (1°) of the French Commercial Code)				
In thousands of euros	1 to 30 days	31 to 60 days	61 to 90 days	91 or more days	Total (1 or more days)
Overdue payment categories (A)					
Number of invoices concerned					178
Total amount of invoices concerned (including taxes)	707	54	(3)	450	1,210
Percentage of total purchases for the year (including taxes)	3%	-	-	2%	5%
Invoices excluded from (A) relating to payables and receivables in dispute or not recognised					
Number of excluded invoices	-	-	-	-	-
Total amount of excluded invoices	-	-	-	-	-
Benchmark payment terms used to calculate overdue payments	Contractual payment terms				

Trade receivables overdue at 31 December 2019

	Invoices issued, unpaid and overdue at the reporting date (Article D. 441-4 (I) (1°) of the French Commercial Code)				
In thousands of euros	1 to 30 days	31 to 60 days	61 to 90 days	91 or more days	Total (1 or more days)
Overdue payment categories (A)					
Number of invoices concerned					98
Total amount of invoices concerned (including taxes)	4,098	-	38	3,925	8,062
Percentage of revenue for the year (including taxes)	10%	-	-	9%	19%
Invoices excluded from (A) relating to payables and receivables in dispute or not recognised					
Number of excluded invoices	-	-	-	-	-
Total amount of excluded invoices	-	-	-	-	-
Benchmark payment terms used to calculate overdue payments	Contractual payment terms				

3.7.3. DIVIDENDS

Given the growth prospects, the Board of Directors will ask the General Meeting of shareholders to approve the payment of a dividend of €0.70 per share, with an option for 50% of this dividend to be paid in new shares.

Appropriation of 2019 net income

In euros	
SOURCE OF AMOUNTS TO BE APPROPRIATED	
Net income for the year	38,900,257.08
Retained earnings brought forward	98,753,945.79
Total	**137,654,202.87**
APPROPRIATION	
To the legal reserve	1,501.07
To the payment of a dividend of €0.70 per share[1]	21,620,458.30
To retained earnings	116,032,243.50
Total	**137,654,202.87**

1. Based on the number of shares entitled to dividends at 31 December 2019 and excluding the effect of the extra 10% dividend payable on eligible shares.

3.7.4. FIVE YEAR FINANCIAL SUMMARY FOR THE COMPANY

In thousands of euros	2019	2018	2017	2016	2015
Closing share capital					
Share capital	1,206	1,191	1,179	1,163	1,147
Number of shares in issue	31,320,533	30,930,644	30,620,910	30,217,232	29,783,757
Of which treasury shares	428,444	811,223	371,983	368,823	261,092
Operations and results for the year					
Revenue excluding taxes	36,730	34,459	28,228	26,660	21,664
Income before tax, depreciation, amortisation and provisions	38,741	30,770	37,336	4,670	16,820
Tax charge (income)	(1,211)	(367)	(3,386)	(7,472)	(1,856)
Income after tax, depreciation, amortisation and provisions	38,900	27,872	31,019	12,568	18,222
Distributions	20,389[1,2]	19,578[1]	18,149[1]	17,014[1]	16,828[1]
Earnings per share (in euros)					
Income after tax but before depreciation, amortisation and provisions	1.28	1.01	1.33	0.40	0.63
Income after tax, depreciation, amortisation and provisions	1.24	0.90	1.01	0.42	0.61
Dividend paid	0.70[1,2]	0.65[1]	0.60[1]	0.57[1]	0.57[1]
Headcount	**105[3]**	**89[4]**	**86[4]**	**92[4]**	**94[3]**

1. *With option for 50% of the dividend to be paid in new shares.*
2. *Proposed dividend submitted for approval by the shareholders at the General Meeting to be held on 29 May 2020.*
3. *Including one corporate officer.*
4. *Including two corporate officers.*

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4.1. Consolidated income statement

In thousands of euros	Note	2019	2018
Revenue	**6**	**505,676**	**428,311**
Purchases (including change in stocks)	7	(157,881)	(139,115)
Logistics costs	8	(10,852)	(9,911)
Staff costs	9	(55,278)	(45,700)
Other operating expenses	8	(101,693)	(76,779)
Amortisation of electricity and steam supply agreements		(6,839)	(5,946)
Charges to depreciation, amortisation and provisions	37	(69,794)	(51,327)
Share of net income of equity-accounted companies	18	2,541	3,294
Current operating income		**105,879**	**102,827**
Other operating income and expenses	10	2,142	425
Operating income		**108,022**	**103,252**
Cost of financial debt	11	(30,663)	(23,367)
Other financial income	12	1,075	4,203
Other financial expenses	12	(582)	(592)
Profit before tax		**77,851**	**83,496**
Tax charge	13	(23,668)	(29,945)
Net income for the year from continuing operations		**54,183**	**53,551**
Net income from activities held for sale		**-**	**2**
Net income		**54,183**	**53,553**
Net income attributable to:		-	-
shareholders of Albioma	24	44,105	44,151
non-controlling interests	24	10,078	9,402
Basic earnings per share	24	1.437	1.455
Diluted earnings per share	24	1.398	1.437

The notes form an integral part of the consolidated financial statements.

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.

In thousands of euros	2019	2018
Net income	**54,183**	**53,553**
Actuarial gains and losses on employee benefits	(5,869)	1,390
Deferred tax on actuarial gains and losses	1,415	(479)
Items not available for recycling through profit or loss	**(4 454)**	**911**
Translation adjustments[1]	(329)	(7,045)
Cash flow hedges (interest rate swaps)	(13,271)	(2,775)
Deferred tax relating to cash flow hedges	3,193	896
Items available for recycling through profit or loss	**(10,407)**	**(8,924)**
Comprehensive income	**39,322**	**45,540**
Comprehensive income attributable to:		
shareholders of Albioma	31,853	38,008
non-controlling interests	7,469	7,532
Comprehensive income from continuing operations attributable to:		
shareholders of Albioma	31,853	38,008
non-controlling interests	7,469	7,532

1. Translation adjustments are presented after taking account of the effect of hedges of a net investment in a foreign operation, which amounted to -€0.2 million in 2019 compared with €0.5 million in 2018.

The notes form an integral part of the consolidated financial statements.

The change in comprehensive income mainly reflects the impact of the change in the exchange rate of the Brazilian real against the euro, the effect of the change in interest rates on the measurement at fair value of cash flow hedges (interest rate swaps), the recognition in profit or loss of swap interest paid during the period, as well as the effect of the modification of the actuarial assumptions used to measure employee benefits.

For the years ended 31 December 2019 and 31 December 2018, of the deferred tax, €0.1 million represents the effect of the decrease in the corporation tax rate on the deferred tax in respect of other comprehensive income. This reduced rate, which was provided for by the 2018 Finance Bill and then the 2019 Finance Bill and for subsequent financial years, applies to the Group's French companies as from the 2018 financial year.

4.3. Consolidated statement of financial position

ASSETS

In thousands of euros	Notes	31/12/2019	31/12/2018
NON-CURRENT ASSETS			
Goodwill	14	16,884	24,226
Intangible assets	15	108,094	101,182
Right-of-use assets (IFRS 16)	17	26,223	-
Property, plant and equipment	16	1,246,079	1,161,887
Non-current financial assets	19	5,149	4,901
Investments in associates	18	26,563	23,950
Deferred tax assets		4,943	713
Other non-current assets		226	-
Total non-current assets		**1,434,160**	**1,316,859**
CURRENT ASSETS			
Stocks and assets in progress	22	55,015	62,237
Trade receivables	21	59,290	74,488
Other current operating assets	23	49,265	51,733
Cash and cash equivalents	20	161,383	95,297
Total current assets		**324,953**	**283,755**
Total assets		**1,759,113**	**1,600,614**

The notes form an integral part of the consolidated financial statements.

EQUITY AND LIABILITIES

In thousands of euros	Notes	31/12/2019	31/12/2018
SHAREHOLDERS' EQUITY, GROUP SHARE			
Share capital	24	1,206	1,191
Additional paid-in capital		55,627	48,659
Reserves		346,571	336,766
Translation reserves		(22,363)	(22,310)
Net income for the year		44,105	44,151
Total shareholders' equity, Group share		**425,147**	**408,457**
Non-controlling interests		95,367	84,325
Total equity		**520,514**	**492,782**
NON-CURRENT LIABILITIES			
Employee benefits	27	43,121	34,267
Provisions for liabilities	28	4,936	7,274
Deferred tax liabilities		23,526	32,893
Non-current financial debt	25	760,645	722,240
Lease liabilities related to right-of-use assets (IFRS 16)	25	34,194	-
Non-current derivatives	26	49,704	36,392
Total non-current liabilities		**916,126**	**833,066**
CURRENT LIABILITIES			
Trade payables	30	76,817	66,378
Tax and social security liabilities	31	32,941	35,896
Current financial debt	25	177,280	123,458
Lease liabilities related to right-of-use assets (IFRS 16)	25	1,740	-
Other current operating liabilities	32	33,694	49,034
Total current liabilities		**322,473**	**274,765**
Total equity and liabilities		**1,759,113**	**1,600,614**

The notes form an integral part of the consolidated financial statements.

4.4. Statement of changes in shareholders' equity

In thousands of euros	Share capital	Additional paid-in capital	Reserves and retained earnings	Cash flow hedges	Translation differences	Shareholders' equity, Group share	Non-controlling interests	Total equity
Shareholders' equity at 31/12/2017	**1,179**	**42,199**	**384,464**	**(22,493)**	**(16,562)**	**388,787**	**78,493**	**467,280**
Dividends paid	12	5,495	(18,321)	-	-	(12,814)	(6,150)	(18,964)
Stock options/performance shares	-	-	1,309	-	-	1,309	-	1,309
Transactions between shareholders	-	965	-	-	-	965	-	965
Treasury shares	-	-	(7,956)	-	-	(7,956)	-	(7,956)
Capital increases	-	-	-	-	-	-	2,836	2,836
Changes in the consolidation scope	-	-	158	-	-	158	1,614	1,772
Total transactions with shareholders	**12**	**6,460**	**(24,810)**	**-**	**-**	**(18,338)**	**(1,700)**	**(20,038)**
Change in translation adjustment	-	-	-	-	(5,748)	(5,748)	(1,297)	(7,045)
Change in actuarial gains and losses	-	-	859	-	-	859	52	911
Change in fair value of hedging derivatives	-	0	-	(1,254)	-	(1,254)	(625)	(1,879)
Sub-total of items recognised in equity	**-**	**-**	**859**	**(1,254)**	**(5,748)**	**(6,143)**	**(1,870)**	**(8,013)**
Net income for the period	-	-	44,151	-	-	44,151	9,402	53,553
Total comprehensive income for the period	**-**	**-**	**45,010**	**(1,254)**	**(5,748)**	**38,008**	**7,532**	**45,540**
Shareholders' equity at 31/12/2018	**1,191**	**48,659**	**404,664**	**(23,747)**	**(22,310)**	**408,457**	**84,325**	**492,782**
Dividends paid	15	6,968	(20,016)	-	-	(13,033)	(7,201)	(20,234)
Stock options/performance shares	-	-	(2,625)	-	-	(2,625)	-	(2,625)
Transactions between shareholders	-	-	806	-	-	806	-	806
Impact of first-time application of IFRS 16	-	-	(6,438)	-	-	(6,438)	(934)	(7,372)
Treasury shares	-	-	6,126	-	-	6,126	-	6,126
Capital increases	-	-	-	-	-	-	7,350	7,350
Changes in the consolidation scope	-	-	-	-	-	-	4,358	4,358
Total transactions with shareholders	**15**	**6,968**	**(22,147)**	**-**	**-**	**(15,164)**	**3,573**	**(11,591)**
Change in translation adjustment	-	-	-	-	(53)	(53)	(276)	(329)
Change in actuarial gains and losses	-	-	(3,849)	-	-	(3,849)	(605)	(4,454)
Change in fair value of hedging derivatives	-	-	-	(8,350)	-	(8,350)	(1,728)	(10,078)
Sub-total of items recognised in equity	**-**	**-**	**(3,849)**	**(8,350)**	**(53)**	**(12,252)**	**(2,609)**	**(14,861)**
Net income for the period	-	-	44,105	-	-	44,105	10,078	54,183
Total comprehensive income for the period	**-**	**-**	**40,256**	**(8,350)**	**(53)**	**31,853**	**7,469**	**39,322**
Shareholders' equity at 31/12/2019	**1,206**	**55,627**	**422,773**	**(32,097)**	**(22,363)**	**425,146**	**95,367**	**520,514**

The notes form an integral part of the consolidated financial statements.

4.5. Statement of consolidated cash flows

In thousands of euros	2019	2018
OPERATING ACTIVITIES		
Net income for the year attributable to shareholders of Albioma	**44,105**	**44,151**
Non-controlling interests	10,078	9,402
Adjustments		
Charges to depreciation, amortisation and provisions	75,350	60,159
Change in deferred tax	(7,314)	(1,845)
Share of net income of associates net of dividends received	76	(1,355)
Gains and losses on disposals	361	(14)
Other non-cash items	-	(3,261)
Share-based payments	2,197	1,510
Cost of financial debt	30,663	23,606
Current tax charge for the year	30,982	31,790
Cash flow from operations	**186,498**	**164,143**
Impact of the change in the working capital requirement	23,198	(25,778)
Tax paid	(36,891)	(26,937)
Net cash from operating activities	**172,805**	**111,428**
INVESTING ACTIVITIES		
Acquisitions of non-current assets	(149,051)	(142 935)
Increase in financial assets	(386)	(576)
Sales proceeds from non-current assets	596	-
Sales proceeds from and reductions in financial assets	-	70
Acquisitions and disposals of subsidiaries less any cash acquired or sold	19	(48 571)
Net cash from/(used by) investing activities	**(148,822)**	**(192 012)**
FINANCING ACTIVITIES		
Capital increases subscribed by non-Group shareholders	-	2,836
Change in treasury shares	-	(7,989)
Dividends paid to shareholders of Albioma	(13,033)	(12,818)
Dividends paid to non-controlling interests	(7,201)	(6,151)
Borrowings and financial debt issued or subscribed	227,819	178,762
Cost of financial debt	(30,663)	(23,606)
Borrowings and financial debt repaid	(131,585)	(41,500)
Other items	(2,043)	(4,705)
Net cash from/(used by) financing activities	**43,294**	**84,829**
Impact of currency movements on cash and cash equivalents and other changes	(1,440)	(1,001)
Net change in cash and cash equivalents	**65,837**	**3,244**
Opening cash and cash equivalents	95,297	92,053
Closing cash and cash equivalents	161,135	95,297
Change in cash and cash equivalents	**65,838**	**3,244**
Cash	142,550	76,559
Cash equivalents	18,833	18,738
Total cash and cash equivalents	**161,383**	**95,297**
Bank overdrafts	(248)	-
Net cash and cash equivalents	**161,135**	**95,297**

The notes form an integral part of the consolidated financial statements.

4.6. Notes to the consolidated financial statements

NOTE 1. HIGHLIGHTS OF THE YEAR

- Commissioning, on 25 February 2019, of a new combustion turbine (CT) on Reunion Island, with a capacity of 41 MW, and of photovoltaic power plants located in the French overseas departments and regions and in metropolitan France, including in particular the Port Ouest plant on Reunion Island, with a capacity of 1.3 MWp and storage, in February 2019, and the Sainte-Rose plant in Guadeloupe, with a capacity of 3.3 MWp and storage, in the summer of 2019.
- The programme of works to make their fume treatment systems compliant with the European Industrial Emissions Directive (IED) was continued on the Bois Rouge and Le Moule power plants. In accordance with the terms of riders to the power purchase agreements entered into in 2016, EDF compensated Albioma for the effects of these shutdowns for a six-week period.
- Albioma Le Moule took out a new long-term loan (19 years, without recourse to shareholders) for its Albioma Caraïbes power plant (34 MW - commissioned in 2011), for €68 million, in addition to its existing debt. This loan will be used to finance the provision of new infrastructure and changes to the plant's facilities, to enable the plant to operate exclusively on biomass, as a complete alternative to coal, by the end of 2020. It will also be used to finance the works required to bring the plant into compliance with the Industrial Emissions Directive (IED) which comes into force on 1 January 2020.
- Albioma Solaire France - the subsidiary that owns and operates the photovoltaic power plants acquired from Eneco in December 2018 - has contracted a long-term €61 million loan. This non-recourse project loan refinances the existing assets and includes an amount for funding the construction of a portfolio of small- and medium-power photovoltaic power plants.
- On 7 June 2019, Albioma signed a €60 million bank facility with French and international banks, under very favourable market conditions. This revolving financing follows a previous line of €40 million, which was coming to an end. With a maturity of five years, which may be extended to seven years, this additional €20 million facility reflects the Group's growth momentum.

NOTE 2. ACCOUNTING POLICIES

2.1. Changes to the accounting framework in 2019

The Group's consolidated financial statements for the year ended 31 December 2019 have been prepared in accordance with the framework of International Financial Reporting Standards (IFRS) as adopted by the European Union at 31 December 2019, available on the following website: http://ec.europa.eu/finance/company-reporting/ifrs-financial-statements/index_fr.htm.

The financial statements are presented in thousands of euros and were approved by the Board of Directors at its meeting of 2 March 2020.

The accounting principles used for the preparation of the consolidated financial statements for the year ended 31 December 2019 are identical to those used by the Group for the preparation of the consolidated financial statements for the year ended 31 December 2018, with the exception of the following standards that are now applicable.

- IFRS 16 “Leases”;
- IFRS 9 amendment “Prepayment Features with Negative Compensation”;
- IAS 28 amendments «Long-term Interests in Associates and Joint Ventures»;
- IAS 19 amendments «Plan Amendment, Curtailment or Settlement»;
- Annual Improvements to IFRS Standards, 2015-2017 Cycle;
- IFRIC 23 «Uncertainty over Income Tax Treatments».

The impact of IFRS 16 is described below.

The other amendments to standards and interpretations did not have a material impact on the Group's consolidated financial statements for the year ended 31 December 2019.

For the 2019 financial year, the Group decided not to apply in advance any standards, interpretations or amendments. The following standards, interpretations and amendments, which have been published and whose application is mandatory as from 1 January 2019, could have an impact on the Group's financial statements:

- IFRS 3 amendment “Definition of a business”;
- Amendments to IAS 1 and IAS 8 “Amendments to the definition of Material”;
- Amendments to References to the Conceptual Framework in IFRS Standards.

Impacts of the implementation of IFRS 16 "Leases"

General impacts on presentation

IFRS 16 applies for the first time to financial statements covering accounting periods beginning on or after 1 January 2019. It replaces IAS 17 and its interpretations and results in the recognition in lessees' balance sheets of most leases in accordance with a single model, in the form of a right-of-use asset and a lease liability (the standard removes for lessees the distinction between finance leases and operating leases).

The Group has elected to present, in the statement of financial position, right-of-use assets separately from other assets and lease liabilities separately from other liabilities.

Expenses related to leases that were previously classified as operating leases and presented in operating expenses are restated, in accordance with IFRS 16, and replaced by a depreciation charge in respect of the right-of-use asset and financial expenses. In the case of the Solar Power business, a portion of the lease payments may be based on the revenue from the facilities. These lease payments, which are variable, continue to be recognised as operating expenses.

Whereas operating lease payments were presented in cash flow from operating activities, these lease payments are now divided into cash outflows relating to the interest expense on the lease liability and those relating to the repayment of said lease liability. The Group presents the repayment of the principal portion of the lease liabilities and the interest paid in cash flows from/(used by) financing activities.

Nature of the leased assets concerned

The Group, in its capacity as lessee, is mainly involved in leases of property, notably its head office, and in leases of the rooftops and land on which its photovoltaic and thermal power plants operate. These leases have terms of between 15 and 45 years, in line with the terms of the plants' energy sales contracts.

Application method

The Group has elected to apply IFRS 16 in accordance with the simplified retrospective method, with retrospective calculation of the right-of-use asset (calculation of the asset's value at the inception of the lease and of depreciation up to the transition date). This method involves recognising the cumulative effect of the initial application as an adjustment of the opening equity at 1 January 2019.

Pursuant to these provisions, the comparative information relating to the 2018 financial year, which is presented by way of comparison with the 2019 information, is not restated.

In the case of contracts in force on the date of first-time application, the Group has elected to apply the practical expedient which enables entities not to apply IFRS 16 to agreements which had not previously been identified as leases pursuant to IAS 17 and IFRIC 4.

Lease payments under leases of low-value assets have been written off as expenses.

In addition, the following practical expedients offered by IFRS 16 have been applied to the transition:

- Leases with a residual term of less than 12 months as from 1 January 2019 do not give rise to the recognition of a right-of-use asset and a lease liability;
- The discount rates applied on the transition date are based on the Group's incremental borrowing rate to which is added a spread to reflect specific economic environments;
- Initial direct costs are excluded from the measurement of the right-of-use asset in the case of operating leases in force on the transition date;
- Instead of carrying out an impairment review of the right-of-use assets on the transition date, the Group has made use of its assessment of the onerous leases in accordance with the principles of IAS 37;
- The Group has used hindsight to determine the terms of leases containing options to extend or terminate the lease.

In the case of leases previously classified as finance leases, the right-of-use asset and the lease liability are measured on the transition date at the same amounts as would have applied under IAS 17 on the date of initial application.

Application of IFRS 16 has required the exercise of judgement, notably as regards:

- the definition of a lease;
- determining the lease term, which takes into account the exercise of options to cancel or extend the lease when the Group is reasonably certain to exercise them;
- determining the incremental borrowing rate, which has been calculated taking into account the leases' residual term on the date of initial application.

The Group's accounting principles in respect of leases, updated to reflect the application of IFRS 16, are detailed below.

The incremental interest rate used to measure the liability related to the right-of-use asset varies from 0.86% to 4.56% depending on the maturity of the lease.

Set out below is a reconciliation of the total operating lease commitments at 31 December 2018 and the lease liabilities recognised at 1 January 2019:

In thousands of euros

Off-balance sheet commitments at 31/12/2018	**18,278**
Different assessment of off-balance sheet commitments	12,627
Different assessment of terms used in connection with the options to extend the lease	3,484
Impact of changes in consolidation scope that took place in late 2018	2,757
Other differences	1,542
Lease liability before discounting	**38,688**
Discounting effect	**(2,629)**
Lease liability in respect of operating leases - IFRS 16	**36,059**

The amount of the finance lease liabilities previously restated under IAS 17 totalled €83,103 thousand at 1 January 2019.

Impact of IFRS 16 on the opening statement of financial position

The impacts of the implementation of this new standard on the statement of financial position at 1 January 2019 were as follows:

In thousands of euros

Right-of-use assets recognised in property, plant and equipment	27,022
Lease liabilities related to right-of-use assets	(36,059)
Deferred tax	1,665
Impact on shareholders' equity at 1/1/2019	**(7,372)**
Of which, Group share	(6,438)
Of which, attributable to non-controlling interests	(934)

As specified in the 2018 consolidated financial statements, the impact on the opening statement of financial position referred to in the financial statements for the year ended 31 December 2018 related exclusively to the Solar Power scope, excluding the interests in Eneco France acquired in December 2018. The difference between this estimate and the amount presented below corresponds to the leases belonging to the Thermal Biomass sector, Eneco France and the holding company.

Impact of IFRS 16 on net income for the period

The impacts of the implementation of this new standard on the net income of the period were as follows:

In thousands of euros	**2019**
Operating income	882
Financial expenses	(1,360)
Net income	(124)
Net income	**(354)**

2.2. Consolidation methods

Exclusively-controlled subsidiaries are fully consolidated. Control by the Group derives from its ability to direct activities with a significant impact on returns, its exposure or rights to variable returns and its ability to affect those returns. 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 associates over which the Group has significant influence (usually more than 20%) but does not have control, as well as entities under joint control that meet the definition of a joint venture pursuant to IFRS 11 “Joint Arrangements”. Under the equity method, the company’s net assets and net income are consolidated in proportion to the participating interest held by the parent company in the share capital, as well as, where applicable, related goodwill.

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 fully consolidated are eliminated to the extent of the percentage interest held by the Group in the share capital of the equity-accounted company.

2.3. Income from ordinary activities

Income from ordinary activities of the Group comes from:

- sales of electricity and steam under energy supply agreements for terms ranging from 15 to 35 years, mainly entered into with EDF but also with sugar refineries for the power plants fuelled by bagasse and coal;
- sales of electricity to various distributor and industrial customers by Albioma Rio Pardo Termoelétrica, Albioma Codora Energia and Albioma Esplanada Energia in Brazil as well as compensation due by sugar refineries related mainly to the quantity of biomass delivered;
- services provided by the parent company to companies not under its control.

In the case of the thermal power plants located in the French overseas departments and regions, the remuneration stipulated in the electricity and steam sale agreements entered into with EDF comprise an annual fixed portion and a variable portion.

Compensation for additional costs as well as remuneration for supplementary capital expenditure related to regulatory changes are the subject of negotiations and riders to the electricity sale agreements with EDF. These two revenue components are measured on the basis of tariffs revised by the riders and recognised when they have been agreed in principle and their amounts can be reliably estimated.

Each agreement and rider constitutes a single contract within the meaning of IFRS 15.

In the case of the thermal power plants, the Group is bound by the following performance obligations from which the client can benefit separately, each obligation being separately identifiable in the contract:

- operation and maintenance services aimed at providing power availability;
- services involving the production and sale of electricity, with the aim of delivering electricity or steam to the network according to its requirements.

The agreement specifies a separate price for each performance obligation:

- a price for the fixed premium determined on the basis of the fixed costs incurred to ensure the availability of the asset;
- a proportional price for electricity sales.

Pursuant to IFRS 15, revenue is recognised when each performance obligation is satisfied, i.e. when control of the good or service is transferred to the client.

Revenue is therefore recognised on a monthly basis:

- for fixed premiums, on the basis of the amounts set contractually;
- for the proportional price, on the basis of the electricity supplied to the network;
- for the amount of the bonuses/penalties, on the basis of the actual availability rates.

Contractual riders with EDF, in addition to agreements with sugar refineries, allowed for the operation of the "bagasse premium" established in 2009 by the authorities in favour of sugar cane growers indirectly contributing to the production of electricity from bagasse. Under this mechanism, the 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 growers) via the sugar refineries to which they deliver their sugar cane. The Group thereby acts as an intermediary and does not bear the risks and rewards associated with this premium. As such, 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.

In the case of the Solar Power and Brazil businesses, revenue depends exclusively on the energy generated and supplied to the network, which constitutes the only performance obligation. Revenue is recognised in line with the supply of the energy.

2.4. Operating segments

Segment information is presented based on the internal organisation and reporting structures used by Group management.

The Group uses the following split for operating segments:

- France - Thermal Biomass: this segment comprises the thermal power plants that produce electricity and steam in the French overseas departments;
- France - Solar Power: this segment comprises the various photovoltaic panel farms in France, Spain and Italy, as well as the sale of photovoltaic installations and panels to third parties and joint ventures for the share held by third parties;
- Brazil: this segment comprises the activities conducted in Brazil, including the development activities, the holding company activities and the operation of its thermal power plants;
- Mauritius: this segment comprises the thermal power plants that produce electricity on Mauritius;
- Holding Company and other: this segment comprises the operating activities of Albioma.

2.5. Classification and presentation principles

Certain one-off 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, property, plant and equipment and intangible assets;
- other operating income and expenses for material amounts.

Cash and cash equivalents comprise cash, current bank accounts, term deposits (with withdrawal options that can be exercised within three months with no penalty), and marketable securities that can be realised in the very short term, are readily convertible into cash and do not present a significant risk of a change in value. The change in cash and cash equivalents analysed in the statement of consolidated cash flows corresponds to cash and cash equivalents net of bank overdrafts. Short-term loans are included in the change in debt.

2.6. 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 fair value 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 are revised within a period of 12 months with effect from the acquisition date. Goodwill is not amortised and is subject to impairment testing at least once a year.

Pursuant to IFRS 3 (revised):

- acquisition costs are expensed in the period in which they are incurred;
- contingent consideration is estimated at fair value at the date on which control is taken and included in the acquisition price 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.

For all transactions carried out, the Group has opted to value the non-controlling interests on the basis of their proportionate share of the identifiable net assets of the entity acquired and not at their fair value.

2.7. 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.

2.8. 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, 20 years for plants in Brazil 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.

2.9. Leases

Leases which convey to the lessee control of the use of an identified asset for a period of time in exchange for consideration come within the scope of IFRS 16. The Group's tenant companies recognise on the statement of financial position, in respect of all leases regardless of their nature (i.e. operating leases and finance leases), a right-of-use asset and a corresponding lease liability.

The lease liability is initially determined on the basis of the present value of the lease payments that have not been paid on that date, discounted using the interest rate implicit in the lease if that rate can be readily determined, or at the incremental borrowing rate specific to the country, in accordance with the contract terms and currency. Lease payments include fixed payments, variable payments that depend on an index or a rate and payments resulting from options the lessee is reasonably certain to exercise. Variable lease payments based on revenue are recognised as operating expenses.

Subsequent to its initial measurement, the lease liability is reduced by the lease payments made and increased by the interest charge on the lease liability. It is remeasured to reflect any change in the future lease payments in the event of further negotiations with the lessor, a change in an index or rate, or in the event an option is reassessed. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or in net income if the carrying amount of the right-of-use asset has already been reduced to zero.

The measurement of the right-of-use asset at the commencement date comprises the initial lease liability, the initial direct costs and any obligations to refurbish the asset, less any incentives granted by the lessor.

Right-of-use assets are depreciated over the lease term. In the income statement, depreciation charges are recognised in operating income and interest charges are recognised in financial income (expense). The tax impact of these consolidation adjustments is recognised by means of the recognition of deferred tax.

The lease term used corresponds to the non-cancellable period, to periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option, as well as periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

The Group applies the exemptions permitted by IFRS 16 relating to leases with a term of less than 12 months or for which the underlying asset is of low value (less than €5,000).

2.10. Impairment of assets

In accordance with IAS 36, goodwill is tested for impairment every year and the Company regularly looks for indications of impairment of property, plant and equipment and intangible assets. When such an indication exists, the Company performs an impairment test to determine whether the carrying amount of the asset exceeds its recoverable amount, defined as the higher of the fair value less disposal costs and the value in use.

The main indications of impairment used by the Group consist of:

- for the photovoltaic installations, a significant and permanent decrease in the equivalent full-power hours (EFPH);
- for the plants in the Thermal Biomass sector, availability that is permanently and significantly lower than that forecast in the business plans;
- for all installations, operating costs that are permanently and significantly higher than those forecast in the business plans and for which the Group cannot be compensated by virtue of contractual provisions.

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 grouped into cash-generating units (CGUs). Each thermal power plant, photovoltaic fleet and anaerobic digestion 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).

These tests are based on the following key assumptions:

- electricity selling prices, which are set contractually;
- for the photovoltaic installations, equivalent full-power hours (EFPH).

2.11. 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 under non-current assets. Stocks are measured at cost price or net realisable value (market price) if this is lower than the purchase cost.

2.12. 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:

- except for term deposits, 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 amortised cost. Impairment losses are recognised if there is an objective indication of impairment.

The methods used for derivatives with a positive market value are explained in note 2.14 to the consolidated financial statements.

2.13. 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 in note 2.14 to the consolidated financial statements.

In accordance with IFRS 9, applied since 1 January 2018, financial debt is initially measured at fair value less transaction costs and subsequently according to the amortised cost method using the effective interest rate. This method does not result in material differences compared with their face value.

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 reporting date.

2.14. Derivatives

The purpose of the derivatives used by the Group is to hedge interest rate risks on the borrowings and leases entered into a variable interest rates. In accordance with IFRS 9 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 IFRS 9, 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 of the effective portion is recorded 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.

2.15. 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 the 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.

Within the Group, defined benefit plans cover post-employment benefits and other long-term benefits.

Post-employment benefits

Post-employment benefits comprise:

- lump-sum retirement payments;
- time banking for pre-retirement leave (*comptes épargnes jours retraite* - CEJR);
- defined benefit plans reserved for certain employees of the parent company in addition to the previous plan;
- specific pensions for the employees of certain subsidiaries in connection with the Electricity and Gas Industries statute 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, with length of service being taken into account on a pro rata basis.

The discount rate used on the reporting date is established based on the yields at the reporting date of high-quality private corporate bonds.

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/(expense) under "Other financial expenses".

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.

2.16. 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. As at 31 December 2019, the Group was not planning to cease the activities of any of its installations currently in operation.

For the Solar Power sector, dismantling costs are considered to be immaterial.

2.17. CO_2 allowances

The Group's thermal power plants located in the overseas departments are included in operations subject to regulations regarding carbon dioxide (CO_2) emission allowances. The following thermal power plants are concerned: Albioma Bois-Rouge (units 1 and 2), Albioma Le Gol (units A and B), Albioma Le Moule, Albioma Galion and Albioma Saint-Pierre.

In accordance with contractual terms, the Group signed riders on electricity sale contracts with EDF to take these regulatory changes into account and to cover excess costs relating to shortfalls between allowances allocated and allowances used.

The allowances acquired and used in respect of the shortfalls for the period are presented in «Other operating expenses», as are the amounts billed to EDF pursuant to the riders.

After taking into account the impact of the riders to the electricity sale agreements, any variance between available allowances and surrender obligations on maturity is covered by provisions calculated on the basis of the market value of the allowances at the reporting date. These provisions appear under «Other current liabilities». No such provisions existed at the end of the periods presented.

2.18. 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 resulting from:

- for deferred tax liabilities: the revaluation of electricity sale contracts, the neutralisation of accelerated depreciation for tax purposes and the effect of the restatement of finance leases;
- for deferred tax assets: tax losses, the effect of neutralising internal margins relating to installation development, and the recognition of provisions in respect of employee benefits.

Deferred taxes are measured at the tax rate enacted or almost enacted by the relevant body at the reporting 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: a tax on enterprise land value (*Taxe Foncière des Entreprises* – CFE) and a 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 under operating income in the item "Taxes and duties (other than corporation tax)".

2.19. Share-based payments

Allotments of stock subscription options and bonus shares subject to performance conditions

In accordance with IFRS 2, the fair value of stock subscription options and bonus shares is determined based on methods suited to their characteristics:

- stock subscription options, not subject to any share price performance conditions, are measured using the Black and Scholes model;
- bonus shares allotted in 2016, 2018 and 2019, subject to share price performance conditions, are measured using the Monte-Carlo model, while shares whose final allotment depends on internal performance are measured using the Black and Scholes model.

The fair value on the allotment date of the share subscription options is recognised in expenses over the option acquisition 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 time frame for fulfilment of the performance conditions. The parameters used in this model are described in note 24 to the consolidated financial statements.

At each reporting date, the Group assesses the probability of loss of rights to the stock subscription 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. Performance conditions are not revised if market conditions are involved (as these are taken into account on the allocation date as part of the fair value measurement of the equity instruments to be issued).

2.20. Currency translation

Transactions denominated in foreign currency are recognised at the exchange rate prevailing on the transaction date. At the reporting date, 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.

The Brazilian entities' results and cash flows for the period are translated at the average rate for the period. The statement of financial position is translated at the closing rate of the period concerned. Resulting translation differences are recorded directly in equity.

The following rates were used by the Group to translate Brazilian reals into euros for the periods presented:

Euro/Brazilian real	Opening rate	Average rate	Closing rate
2018	3.97	4.31	4.44
2019	4.44	4.41	4.52

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:

3.1. IFRS 16: "Leases"

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. IFRS 16 indicates the approach to be followed to determine whether agreements of this kind constitute or contain leases to be recognised in accordance with it. 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.

The analysis of these criteria assumes that Management makes use of estimates. Given their characteristics, some of the Group's sale contracts may fall within the scope of IFRS 16. To classify a contract, Management must exercise its judgement in order to determine whether the agreement results in the transfer to the customer of virtually all the risks and rewards inherent in ownership of the asset by assessing whether execution of the agreement depends on the use of a specific asset and if the agreement confers the 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 a contract meets the criteria for a finance lease in accounting terms, determining the fair value of the leased asset and the present value of the minimum lease payments also implies the formulation of a judgement by Management.

3.2. SIC 27: "Evaluating the substance of transactions with 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.

3.3. 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 estimates, e.g. the expected cash flows on the assets and discount rates used.

3.4. IAS 16: "Useful lives of property, plant and equipment and intangible assets"

Property, plant and equipment and intangible assets other than goodwill are recognised at cost and are depreciated or amortised over their 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.

3.5. IAS 36: "Impairment of Assets"

Goodwill is tested for impairment annually, and 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 Company 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 the fair value less costs to sell and 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, or even discount rates.

The impairment tests are performed on the basis of business plans approved by the Board of Directors.

3.6. 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 departments. 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 unused tax losses and tax credits. To determine if a deferred tax asset is to be recognised in respect of the carry forward of unused tax losses and tax credits, Management examines the probability of these unused 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.

3.7. IFRS 9: "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.

Derivatives are traded in OTC markets in which there is no listed price. As a result, they are valued according to models commonly used by operators to evaluate these financial instruments (discounted cash flow models).

3.8. 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.

3.9. Consortium

In connection with its energy production operations in Brazil, the Group may set up a consortium with its sugar-refining partners.

The purpose of such a consortium is to deal solely with transactions between the plant owner/operator and the sugar refiner. The consortium does not therefore own any assets or generate any income.

The obligations of the consortium's stakeholders are as follows:

- the sugar refiner must provide the biomass and water needed for the electricity and steam produced by the consortium, in accordance with the specifications drawn up concerning quantity and quality, as well as a certain number of sites that it currently owns and that are partially occupied by the installations, and the access routes and roadways needed for the plant's operation and maintenance;
- the plant's owner/operator must provide all the cogeneration equipment and contribute to the consortium exclusively at its expense as regards the plant's operation and maintenance, including predictive maintenance.

In the event that either of the parties fails to comply with its obligations, the agreement provides for a compensation mechanism.

All of the consortium's transactions are included in the financial statements of the Group project company, which has virtually all of the voting rights within the consortium and which directs, manages and represents the consortium for all legal purposes.

NOTE 4. CHANGES IN THE CONSOLIDATION SCOPE

On 20 December 2019, Albioma Solaire France sold its subsidiary Eco Énergie Habitation (EEH). This company, which operated 137 power plants on residential rooftops with capacity of 6 to 9 kWp each and total capacity of 1.2 MWp, was not consistent with Albioma's strategy in the Solar Power sector of developing larger rooftop power plants. This disposal did not have a material impact on net income.

NOTE 5. OPERATING SEGMENTS

5.1. Information by operating segment and region

Year ended 31 December 2019

In thousands of euros	France – Thermal Biomass	France – Solar Power[1]	Brazil	Mauritius	Holding company and other	Eliminations	Total
INCOME STATEMENT							
Income from ordinary activities	427,458	50,374	25,352	-	2,492	-	505,676
Inter-segment	-	-	-	-	24,161	(24,161)	-
Income from ordinary activities	**427,458**	**50,374**	**25,352**	**-**	**26,653**	**(24,161)**	**505,676**
EBITDA[2]	**137,411**	**36,347**	**10,730**	**2,628**	**(4,181)**	**-**	**182,935**
Operating income	89,341	15,817	4,630	2,628	(4,394)	-	108,022
Financial expenses and income							(30,170)
Tax charge							(23,668)
Net income for the year							**54 183**
STATEMENT OF FINANCIAL POSITION							
Goodwill	7,313	6,892	2,679	-	-	-	16,884
Intangible assets	63,349	17,512	28,154	-	(921)	-	108,094
Property, plant and equipment	990,379	222,412	58,863	-	648	-	1,272,302
Participating interests in equity-accounted companies	817	508	3,501	21,737	-	-	26,563
Current assets	130,159	46,968	18,776	-	129,051	-	324,953
Other non-current assets (including deferred tax)	16,035	5,388	320	-	(11,425)	-	10,318
Total assets	**1,208,052**	**299,680**	**112,291**	**21,737**	**117,353**	**-**	**1,759,113**
Equity	261,230	53,501	10,754	9,571	185,458	-	520,414
Non-current financial debt	572,794	184,520	22,497	-	15,028	-	794,839
Other non-current liabilities (including deferred tax)	106,276	29,948	232	-	(15,169)	-	121,287
Current liabilities	167,605	31,522	12,174	-	111,172	-	322,473
Inter-sector eliminations[3]	100,147	189	66,635	12,166	(179,137)	-	-
Total equity and liabilities	**1,208,052**	**299,680**	**112,291**	**21,737**	**117,353**	**-**	**1,759,113**
OTHER INFORMATION							
Investments in property, plant and equipment and intangible assets	132,803	22,263	6,350	-	(1,459)	-	159,957
Charges to depreciation, amortisation and provisions	(47,077)	(19,435)	(5,999)	-	(110)	-	(72,621)

1. *Including Spain and Italy.*
2. *EBITDA: operating income (including income from equity-accounted companies) before depreciation, amortisation and provisions net of reversals and other non-cash items recognised in other operating income and expenses.*
3. *Inter-sector eliminations include intra-group payables and receivables, as well as the elimination of consolidated equity investments.*

Year ended 31 December 2018

In thousands of euros	In thousands of euros	France – Solar Power[1]	Brésil	Maurice	Holding et Autres	Éliminations	Total
INCOME STATEMENT							
Income from ordinary activities	363,396	41,487	17,647	-	5,781	-	428,311
Inter-segment	-	-	-	-	18,961	(18,961)	-
Income from ordinary activities	**363,396**	**41,487**	**17,647**	**-**	**24,742**	**(18,961)**	**428,311**
EBITDA[2]	**123,619**	**30,084**	**6,501**	**3,146**	**(734)**	**-**	**162,616**
Operating income	91,048	15,353	(4,527)	3,146	(1,769)	-	103,252
Financial expenses and income							(19,756)
Tax charge							(29,945)
Net income for the year							**53,551**
STATEMENT OF FINANCIAL POSITION							
Goodwill	7,313	14,234	2,679	-	-	-	24,226
Intangible assets	67,724	8,599	25,783	-	(924)	-	101,182
Property, plant and equipment	891,665	212,917	58,833	-	(1,528)	-	1,161,887
Participating interests in equity-accounted companies	618	39	-	23,292	-	-	23,950
Current assets	170,956	56,860	14,569	-	41,371	-	283,755
Other non-current assets (including deferred tax)	9,261	3,483	292	-	(7,422)	-	5,614
Total assets	**1,147,537**	**296,132**	**102,156**	**23,292**	**31,497**	**-**	**1,600,614**
Equity	258,305	65,047	3,776	10,658	154,996	-	492,782
Non-current financial debt	483,301	134,851	20,973	-	83,115	-	722,240
Other non-current liabilities (including deferred tax)	91,655	26,564	15	-	(7,408)	-	110,826
Current liabilities	159,711	(6,806)	10,757	-	111,103	-	274,765
Inter-sector eliminations[3]	154,565	76,476	66,635	12,634	(310,310)	-	-
Total equity and liabilities	**1,147,537**	**296,132**	**102,156**	**23,292**	**31,497**	**-**	**1,600,614**
OTHER INFORMATION							
Investments in property, plant and equipment and intangible assets	120,358	11,979	9,232	-	(3,240)	-	138,329
Charges to depreciation, amortisation and provisions	(34,417)	(15,792)	(10,316)	-	(1,534)	-	(62,059)

1. *Including Spain and Italy.*
2. *EBITDA: operating income (including income from equity-accounted companies) before depreciation, amortisation and provisions net of reversals and other non-cash items recognised in other operating income and expenses.*
3. *Inter-sector eliminations include intra-group payables and receivables, as well as the elimination of consolidated equity investments.*

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.

A reconciliation between operating income and EBITDA is shown below:

In thousands of euros	2019	2018
Operating income	**107,507**	**103,252**
Amortisation of contracts	6,839	5,946
Depreciation of non-current assets	65,651	49,743
Depreciation of right-of-use assets	2,328	-
Charges to/reversals of provisions (including employee benefits)	1,815	1,584
Charges to/reversals of provisions and other non-cash items recognised in other operating income and expenses	(1,204)	2,091
EBITDA	**182,935**	**162,616**

5.2. Other segment information

The Group sells virtually all the electricity it produces under agreements entered into with EDF in France, other distributor or industrial customers authorised as Câmara de Comercialização de Energia Elétrica (CCEE) agents by the Agência Nacional de Energia Elétrica (ANEEL) for the Albioma Rio Pardo Termoelétrica, Albioma Codora Energia and Albioma Esplanada Energia plants in Brazil and, for the equity-accounted companies, the Central Electricity Board (CEB) in Mauritius.

NOTE 6. INCOME FROM ORDINARY ACTIVITIES

Income from ordinary activities can be broken down as follows:

In thousands of euros	2019	2018
Sales of electricity and steam	503,184	422,713
Services	2,492	5,598
Income from ordinary activities	**505,676**	**428,311**

The change in revenue was due mainly to:

- the impact of the commissioning of power plants described in the section on highlights of the period as well as the commissioning of plants in late 2018;
- the increase in the fixed premiums and the variable remuneration as a result of the indexation provided for by the power purchase agreements of the thermal power plants in the French overseas departments and regions and the additional fixed premiums received in respect of the investments to bring the plants into compliance with the new standards;
- the contractual reduction in the historical fixed premiums in respect of the Bois-Rouge and Le Gol power plants as from 1 January 2019;
- the impacts of the annual technical shutdowns.

NOTE 7. PURCHASES (INCLUDING CHANGES IN STOCKS)

Purchases include the cost of raw materials consumed in the production of electricity, notably coal, fuel oil and wood pellets. The change in purchases consumed includes the effects described in the previous note and, in particular, the impact of the commissioning of additional thermal capacity.

NOTE 8. LOGISTICS COSTS AND OTHER OPERATING INCOME AND EXPENSES

8.1. Logistics costs

The change in logistics expenses was due mainly to the fall in production and the lower costs of processing combustion by-products.

8.2. Other operating expenses

Other operating expenses comprise all expenses other than purchases, logistics costs and staff costs. Other operating expenses also include the expenses and income associated with the CO_2 allowances.

The change during the period was due mainly to the effect caused by a sugar harvest which produced significantly lower volumes than that of the previous year.

NOTE 9. STAFF COSTS

Staff costs break down as follows:

In thousands of euros	2019	2018
Wages and salaries	(32,109)	(27,132)
Social security charges	(16,069)	(12,608)
Profit-sharing and incentive schemes	(4,903)	(4,450)
Share-based payments	(2,197)	(1,510)
Total staff costs	**(55,278)**	**(45,700)**
Employee benefits (cost of services rendered net of benefits paid)	(2,533)	(1,983)
Total staff costs including employee benefits	**(57,811)**	**(47,683)**

The increase in staff costs was due mainly to the commissioning of new plants, the effects of changes in the consolidation scope, the recruitment of new employees in line with the setting up of the new facilities for processing liquid and gaseous waste (IED) and the strengthening of the development and construction teams.

NOTE 10. OTHER OPERATING INCOME AND EXPENSES

In thousands of euros	2019	2018
Reversals of provisions for litigation and uncertainties concerning projects	1,738	5,293
Proceeds from the sale of assets	1,486	-
Other income	353	3,071
Other operating income	**3,577**	**8,364**
Impairment of projects	-	(7,387)
Value of transferred assets	(1,434)	-
Provisions for litigation and uncertainties concerning projects	-	(134)
Other expenses	-	(418)
Other operating expenses	**(1,434)**	**(7,939)**
Total other operating income and expenses	**2,142**	**425**

For the year ended 31 December 2019, net other income consisted mainly of provisions reversals as a result of the liabilities concerned ceasing to exist and the profit on disposal of a subsidiary.

For the year ended 31 December 2018:

- the main components of other operating income were the reversals of provisions for risks to which the Group is no longer exposed, the repayments of contributions related to former bonus performance share plans, whose contribution principle was invalidated by the French Constitutional Council, and compensation received in respect of previous financial years from one of the Group's partners;
- the main expenses in this heading were the impairment losses in respect of an asset in Brazil as a result of a sugar-producing partner being placed under the local judicial recovery protective regime.

NOTE 11. COST OF FINANCIAL DEBT

Cost of financial debt comprises the following items:

In thousands of euros	2019	2018
Financial expenses on financial debt	(29,085)	(18,841)
Financial expenses on leases	(245)	(4,526)
Cost of financial debt	**(29,330)**	**(23,367)**
Interest expenses related to right-of-use assets (IFRS 16)	(1,334)	-
Cost of financial debt	**(30,663)**	**(23,367)**

The change in the cost of financial debt includes the effect of the commissioning of plants during the period and the newly-acquired companies consolidated for the first time in late 2018.

For the year ended 31 December 2019, the amount recognised in financial expenses in respect of hedging instruments amounted to €10.4 million, compared with €8.1 million in 2018. These amounts correspond to interest disbursed or accrued under swap contracts (amount recycled through profit or loss of the fair values previously recognised in equity).

Furthermore, for the year ended 31 December 2019, there were no longer any financial fees invoiced by lessors for swaps embedded in finance leases. These fees totalled €3.6 million in 2018.

NOTE 12. OTHER FINANCIAL INCOME AND EXPENSES

Other financial income and expenses comprise the following items:

In thousands of euros	2019	2018
Currency gains	111	32
Income from marketable securities disposal	469	400
Other financial income	495	3 771
Other financial income	**1,075**	**4,203**
Impact of unwinding the discount on the provision for employee benefits	(467)	(467)
Other financial expenses	(115)	(125)
Other financial expenses	**(582)**	**(592)**
Total other financial income and expenses	**493**	**3 612**

For the year ended 31 December 2018, the components of other financial income were the impact of the refinancing of the Indian Ocean Solar Power sector's debt, which totalled €3.5 million, as well as income from cash investments and income from deposits.

For the periods presented, other financial expenses comprised the charge relating to the effect of discounting employee benefits in the amount of €0.5 million.

NOTE 13. TAX

The corporation tax charge breaks down as follows:

In thousands of euros	2019	2018
Operating income	**108,022**	**103,252**
Share of net income of equity-accounted companies	(2,541)	(3,294)
Cost of financial debt	(30,663)	(23,367)
Other financial income and expenses	493	3,612
Income before tax and share in equity-accounted companies (A)	**75,310**	**80,202**
Tax charge (B)	(23,668)	(29,945)
Effective tax rate (B)/(A)	**31,43%**	**37,34%**

The tax charge for the period comprises the following:

In thousands of euros	2019	2018
Current tax charge	(30,982)	(31,790)
Deferred tax	7,314	1,845
Total corporation tax	**(23,668)**	**(29,945)**

A reconciliation between the actual tax charge and the theoretical tax charge is shown below:

	2019			2018		
In thousands of euros	Base	Rate	Tax	Base	Rate	Tax
Theoretical tax charge	**75,310**	**34,43%**	**(25,929)**	**80,202**	**34,43%**	**(27,613)**
Difference between local tax rate and standard tax rate including LODEOM allowance[1]		(3,6%)	2,710		2,3%	(1,850)
Impact of the change in the tax rate on deferred tax		(0,6%)	447		0,6%	(500)
Non-taxable income		(0,6%)	450		(0,8%)	648
Tax on dividend payments		0,1%	(77)		0,4%	(319)
Non-deductible interest		-	-		0,9%	(761)
Unrecognised deferred tax assets		(0,5%)	367		-	-
Additional contributions and other permanent differences		2,2%	(1,636)		(0,6%)	450
Tax charge recognised	**75,310**	**31,43%**	**(23,668)**	**80,202**	**37,34%**	**(29,945)**

1. LODEOM: law no. 2009-594 of 27 May 2009 for the economic development of Overseas France.

The differences in the tax rates between the local rate and the standard tax rate include the difference between the tax rate in Brazil and the standard tax rate applicable in France as well as the effect of the allowance in respect of law no. 2009-594 of 27 May 2009 for the economic development of Overseas France (*Loi pour le développement économique des Outre-mer* - LODEOM).

The «Impact of the change in the tax rate on deferred tax» heading comprises in particular the effect of the decrease in the standard tax rate provided for by the 2018 and 2019 Finance Acts and applicable to the Group in France as from 2019. Thus, in accordance with IAS 12 «Income Taxes», deferred taxes which are expected to reverse as from 1 January 2019 have been measured on the basis of a standard tax rate reducing gradually to 25% by 2022 as compared with the $33^{1/3}$% rate previously applied.

The restated normalised effective tax rate for the year ended 31 December 2019 came to 31.56% compared with 33.72% in 2018.

1. Restated normalised tax rate: tax rate restated for the effects of impairment losses on which no tax saving was recorded because there is no prospect of recovery in the short term, excluding Brazil and excluding the effect of the change in the tax rate as from 2018.

NOTE 14. GOODWILL

In thousands of euros	Net amount
At 31/12/2017	**11,713**
Impact of changes in the consolidation scope	13,284
Impairment	(711)
Translation differences	(60)
At 31/12/2018	**24,226**
Impact of changes in the consolidation scope	(7,342)
At 31/12/2019	**16,884**

The impairment tests the Group carried out did not identify any impairment of goodwill at 31 December 2019 that required the recognition of an impairment provision.

The “Impact of changes in the consolidation scope” item includes the impact of the allocation of the goodwill in respect of Eneco France, a company acquired in December 2018. This allocation resulted, in particular, in the recognition of an amount of €12 million in respect of electricity sale contracts.

The time limit for the allocation of the goodwill in respect of Albioma Esplanada Energia and Eneco France expired during the last quarter of 2019.

For the year ended 31 December 2018, the change in goodwill related mainly to the impact of the acquisition of Eneco France.

The breakdown of goodwill by activity is as follows:

In millions of euros	
Thermal Biomass France	7.3
Thermal Biomass Brazil	2.7
Solar Power	5.9
Total	**16.9**

This goodwill is subject to an impairment test based on the assumptions presented in note 2.10 to the consolidated financial statements.

The Group carried out sensitivity calculations on the value of its assets based on the following assumptions:

- discount rate increased by 50 basis points;
- availability rate of the power plants in the Thermal Biomass sector reduced by 100 basis points;
- equivalent full-power hours for the photovoltaic installations reduced by 100 basis points.

No asset impairment losses would be recognised under any of the above assumptions in respect of any assets.

NOTE 15. INTANGIBLE ASSETS

In thousands of euros	Electricity and steam supply agreements	Other intangible assets	Total intangible assets
GROSS AMOUNTS			
At 31/12/2017	**162,812**	**3,467**	**166,279**
Acquisitions	-	497	497
Disposals	(18)	-	(18)
Impact of changes in the consolidation scope	11,939	2,043	13,982
Other movements	-	-	-
Translation differences	(6,134)	(248)	(6,381)
At 31/12/2018	**168,599**	**5,760**	**174,359**
Acquisitions	31	256	287
Disposals	-	-	-
Impact of changes in the consolidation scope	15,204	(1,970)	13,234
Other movements	255	-	255
Translation differences	(479)	(12)	(491)
At 31/12/2019	**183,611**	**4,035**	**187,644**
AMORTISATION AND IMPAIRMENT			
At 31/12/2017	**(65,358)**	**(2,801)**	**(68,159)**
Amortisation charge and impairment losses for the period	(5,946)	(1,211)	(7,157)
Other movements	756	594	1,350
Translation differences	783	7	790
At 31/12/2018	**(69,765)**	**(3,411)**	**(73,176)**
Amortisation charge and impairment losses for the period	(6,839)	(132)	(6,971)
Impairment losses	-	-	-
Reversals of impairment losses	-	-	-
Impact of changes in the consolidation scope	-	765	765
Other movements	61	(255)	(195)
Translation differences	27	-	27
At 31/12/2019	**(76,517)**	**(3,033)**	**(79,549)**
NET AMOUNTS			
At 31/12/2017	**97,454**	**666**	**98 120**
At 31/12/2018	**98,834**	**2,349**	**101,183**
At 31/12/2019	**107,094**	**1,002**	**108,094**

The change in intangible assets related mainly to the allocation of the goodwill in respect of Eneco France to electricity sale contracts and to the amortisation of the electricity sale contracts.

The gross amount of intangible assets comprises:

- the fair value of agreements for the delivery of electricity entered into by Albioma Codora Energia and Albioma Esplanada Energia in connection with the acquisition of control over these entities (see further information in note 3.1 to the consolidated financial statements);
- 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 EDF 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 entities of the ElecSol sub-group, Albioma Solaire Réunion, Plexus Sol, Albioma Solaire France (formerly Eneco France) and Albioma Power Alliance 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 “Charges to provisions” line. Reversals of impairment losses are presented in the “Reversals of provisions” line in the income statement.

NOTE 16. PROPERTY, PLANT AND EQUIPMENT

In thousands of euros	Installations in service	Non-current assets in progress	Total
GROSS AMOUNTS			
At 31/12/2017	**1,259,392**	**236,260**	**1,495,652**
Acquisitions	60,714	77,282	137,997
Impact of changes in the consolidation scope	39,673	(560)	39,113
Reclassifications	214,316	(214,483)	(167)
Translation differences	(7,765)	(53)	(7,819)
At 31/12/2018	**1,566,330**	**98,446**	**1,664,776**
Acquisitions	139,310	18,443	157,753
Asset disposals and derecognition	(993)	(378)	(1,371)
Impact of changes in the consolidation scope	(2,824)	(4,954)	(7,777)
Reclassifications	37,698	(37,067)	631
Translation differences	(1,513)	22	(1,492)
At 31/12/2019	**1,738,008**	**74,513**	**1,812,521**
DEPRECIATION AND IMPAIRMENT			
At 31/12/2017	**(448,302)**	**(4,965)**	**(453,267)**
Depreciation charge for the period	(49,217)	-	(49,217)
Impairment of assets and projects	(5,686)	-	(5,686)
Impact of changes in the consolidation scope	2,847	375	3,222
Translation differences	1,892	-	1,892
Reclassifications	167	-	167
At 31/12/2018	**(498,298)**	**(4,590)**	**(502,888)**
Depreciation charge for the period	(65,650)	-	(65,650)
Asset disposals and derecognition	658	-	658
Impact of changes in the consolidation scope	594	-	594
Translation differences	500	-	500
Reclassifications	382	(37)	345
At 31/12/2019	**(561,814)**	**(4,627)**	**(566,441)**
NET AMOUNTS			
At 31/12/2017	**811,090**	**231,295**	**1,042,385**
At 31/12/2018	**1,068,031**	**93,856**	**1,161,887**
At 31/12/2019	**1,176,194**	**69,886**	**1,246,078**

Increases in property, plant and equipment in 2019 related mainly to expenditure for improvements to thermal power plants and for the development of projects, in particular the Galion 2 and Albioma Saint-Pierre plants.

Expenses capitalised during 2019 in respect of plants in the construction phase totalled €1.9 million, compared with €3.6 million in 2018.

The «Translation differences» heading includes the impact of the change in the euro/Brazilian real exchange rate on the assets located in Brazil.

For the year ended 31 December 2019, the Group did not identify any indications of impairment in respect of its other installations.

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 amount net of depreciation of assets under finance leases was €49.5 million at 31 December 2019, compared with €142.1 million at 31 December 2018.

Financial debt in respect of finance leases is presented in note 25 to the consolidated financial statements.

NOTE 17. RIGHT-OF-USE ASSETS (IFRS 16)

In thousands of euros	Right-of-use assets related to office leases	Right-of-use assets related to plants	Total right-of-use assets (IFRS 16)
GROSS AMOUNTS			
At 31/12/2018	-	-	-
Impact of transition to IFRS 16	4,544	22,478	27,022
New leases	40	1,806	1,846
Disposals	(312)	-	(312)
Translation differences	-	(9)	(9)
At 31/12/2019	**4,272**	**24,275**	**28,547**
DEPRECIATION AND IMPAIRMENT			
At 31/12/2018	**-**	**-**	**-**
Depreciation charge and impairment losses for the period	(484)	(1,844)	(2,328)
Translation differences	-	4	4
At 31/12/2019	**(484)**	**(1,839)**	**(2,323)**
NET AMOUNTS			
At 31/12/2018	**-**	**-**	**-**
At 31/12/2019	**3,788**	**22,435**	**26,223**

NOTE 18. PARTICIPATING INTERESTS IN EQUITY-ACCOUNTED COMPANIES

Equity-accounted investments include entities under significant influence, mainly comprising interests in the Mauritian entities. The financial information for the main equity-accounted companies is as follows:

In thousands of euros	2019	2018
Amount at the start of the period	**23,949**	**23,379**
Dividends paid	(2,617)	(1,939)
Share of net income of associates	2,541	3,294
Impact of changes in the consolidation scope	2,624	-
Capital increase	1,007	-
Translation differences	(942)	(786)
Other changes	-	1
Amount at the end of the period	**26,563**	**23,949**

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 IFRS 9, 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 IFRS 9 “Financial instruments” and IFRIC 16 “Hedges of a Net Investment in a Foreign Operation”, these derivatives have been classified as hedges 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 period ended 31 December 2019, the effect net of tax of the restatement of embedded derivatives in sale contracts on the value of investments in associates and recognised in translation reserves was €0.6 million, compared with €0.8 million at 31 December 2018. The change in fair value for 2019 was -€0.2 million net of tax on the Group share compared with €0.5 million in 2018.

At 31 December 2019

In thousands of euros	Terragen	OTEO Saint-Aubin	OTEO La Baraque	Other entities	Total
Location	Mauritius	Mauritius	Mauritius		
Activity	Thermal Biomass	Thermal Biomass	Thermal Biomass		
Percentage interest	27%	25%	25%		
STATEMENT OF FINANCIAL POSITION					
Cash and cash equivalents	567	149	280		
Other current assets	11,836	9,537	21,140		
Non-current assets	35,241	15,698	75,313		
Current liabilities	5,156	9,145	20,688		
Non-current liabilities	5,347	1,363	43,906		
Net assets	**37,141**	**14,876**	**32,139**		
Contribution to the Group's investments in equity-accounted companies	**9,578**	**3,932**	**8,227**	**4,826**	**26,563**
Dividends paid to the Group	**1,202**	**453**	**860**	**102**	**2,617**
INCOME STATEMENT					
Revenue	32,977	21,003	53,382		
Net income for the year	2,939	1,582	5,992		
Group share of net income	**735**	**395**	**1,498**	**(87)**	**2,541**
Net income for the year	2,939	1,582	5,992		
Other comprehensive income (net of tax)	(206)	39	14		
Total comprehensive income	**2,733**	**1,621**	**6,006**		

At 31 December 2018

In thousands of euros	Terragen	OTEO Saint-Aubin	OTEO La Baraque	Other entities	Total
Location	Mauritius	Mauritius	Mauritius		
Activity	Thermal Biomass	Thermal Biomass	Thermal Biomass		
Percentage interest	27%	25%	25%		
STATEMENT OF FINANCIAL POSITION					
Cash and cash equivalents	1,793	277	2,299		
Other current assets	13,474	11,808	20,630		
Non-current assets	39,967	18,455	67,114		
Current liabilities	7,711	9,297	17,797		
Non-current liabilities	5,615	4,771	40,135		
Net assets	**41,908**	**16,472**	**32,110**		
Contribution to the Group's investments in equity-accounted companies	**10,477**	**4,118**	**8,670**	**685**	**23,949**
Dividends paid to the Group	**1,178**	**302**	**459**	**-**	**1,939**
INCOME STATEMENT					
Revenue	36,565	23,417	45,275		
Net income for the year	5,954	2,377	3,940		
Group share of net income	**1,488**	**594**	**1,064**	**148**	**3,294**
Net income for the year	5,954	2,377	3,940		
Other comprehensive income (net of tax)	(272)	(109)	(84)		
Total comprehensive income	**5,682**	**2,267**	**3,856**		

NOTE 19. NON-CURRENT FINANCIAL ASSETS

In thousands of euros	Note	31/12/2019	31/12/2018
Security deposits		3,428	3,099
Non-consolidated investments		40	66
Loans due in more than one year		1,373	1,469
Financial instruments	26	308	267
Total		**5,149**	**4,901**

The deposits and collateral bear interest. These items are repayable on fixed dates or on the call option exercise date. The security deposits also generate interest that is capitalised.

All non-current financial assets are due in more than one year.

NOTE 20. CASH AND CASH EQUIVALENTS

In thousands of euros	31/12/2019	31/12/2018
Cash equivalents	18,833	18,738
Cash	142,550	76,559
Total	**161,383**	**95,297**

Cash equivalents comprise available money market mutual funds and term deposits, for which changes in fair value are recognised in profit or loss. These cash equivalents consist of overnight placements of cash, whose value presents a negligible risk of change over time.

NOTE 21. TRADE RECEIVABLES

At 31 December 2019, trade receivables stood at €53.9 million compared with €74.5 million at 31 December 2018. The main cause of the change was the impact of the delay in the payment of trade receivables as compared with the position in 2018.

The Group sells almost all the electricity it produces under agreements with:

- EDF for the thermal and photovoltaic companies in France;
- the Central Electricity Board (CEB) for the equity-accounted companies in Mauritius;
- various distributor or industrial customers authorised as Câmara de Comercialização de Energia Elétrica (CCEE) agents by the Agência Nacional de Energia Elétrica (ANEEL) for the Albioma Rio Pardo Termoelétrica, Albioma Codora Energia and Albioma Esplanada Energia plants in Brazil.

Given the high quality of the parties to the electricity sale agreements, in the Group's opinion, the counterparty risk relating to trade receivables is immaterial.

The statement of financial position included no material overdue trade receivables at either 31 December 2019 or 31 December 2018.

NOTE 22. STOCKS

Stocks are analysed as follows:

En milliers d'euros	31/12/2019	31/12/2018
STOCKS – GROSS AMOUNT		
Raw materials and fuels	14,398	24,709
Non-strategic spare parts	40,728	37,857
Other stocks in progress	189	189
Total stocks – gross amount	**55,315**	**62,755**
IMPAIRMENT OF STOCKS		
Raw materials and fuels	(43)	(261)
Non-strategic spare parts	(257)	(257)
Total impairment of stocks	**(300)**	**(518)**
STOCKS – NET AMOUNT		
Raw materials and fuels	14,355	24,448
Non-strategic spare parts	40,471	37,600
Other stocks in progress	189	189
Total stocks – net amount	**55,015**	**62,237**

The increase in stocks of non-strategic spare parts was due mainly to the Group building up stock as a result of the commissioning of the Galion 2 power plant.

Stocks of fuel decreased due mainly to the delivery dates (delivery of a single shipload of coal to Reunion Island in December 2019 compared with two in 2018).

NOTE 23. AUTRES ACTIFS COURANTS

Other current operating assets break down as follows:

In thousands of euros	31/12/2019	31/12/2018
Tax and social security receivables	34,076	25,107
Current tax receivables	3,777	16,863
Prepayments	2,508	2,032
Other debtors	8,903	7,731
Total	**49,265**	**51,733**

The change in tax and social security receivables was due mainly to the increase in tax credits receivable in respect of the development activities and the bringing of the facilities into compliance with the regulations.

For the period ended 31 December 2018, the tax receivables included the cash to be received due to the commissioning of the new facilities. This cash was received in 2019.

«Other debtors» include, in particular, current account balances due from, and advances paid to, suppliers.

NOTE 24. SHARE CAPITAL AND POTENTIAL SHARES

24.1. Share capital

At 31 December 2019, the share capital comprised 31,320,533 shares with a nominal value of €0.0385, fully paid up, including 434,164 treasury shares held in connection with a share buyback programme.

At 31 December 2018, the share capital comprised 30,930,644 shares with a nominal value of €0.0385, fully paid up, including 811,223 treasury shares held in connection with a share buyback programme.

24.2. Stock-option and bonus performance share plans

Description of the plans in operation at 31 December 2019

	2019 performance share plan	2018 performance share plan	2016 performance share plan (managers and administrative staff - France and Brazil)
Date of the Board of Directors' meeting (allotment)	07/03/2019	30/05/2018	24/05/2016 et 26/07/2016
Exercise period	n/a	n/a	n/a
End of acquisition period	See details hereafter	See details hereafter	See details hereafter
Total number of options and shares originally authorised	**305,420**	**309,600**	**518,382**
Rights allotted during the period	-	-	518,382
Rights cancelled during the period	-	-	(17,995)
Shares vesting in the period	-	-	-
Number of instruments in issue at 31/12/2016	**-**	**-**	**500,387**
Rights allotted during the period	-	-	-
Rights cancelled during the period	-	-	(43,696)
Shares vesting in the period	-	-	-
Number of instruments in issue at 31/12/2017	**-**	**-**	**456,691**
Rights allotted during the period	-	309,600	-
Rights cancelled during the period	-	(13,500)	(2 952)
Shares vesting in the period	-	-	-
Number of instruments in issue at 31/12/2018	**-**	**296,100**	**453,739**
Rights allotted during the period	305,420	-	-
Rights cancelled during the period	(11,020)	(13,760)	(70,960)
Shares vesting in the period	-	-	(382,779)
Number of instruments in issue at 31/12/2019	**294,400**	**282,340**	**-**

Bonus performance share plans adopted by the General Meeting of 24 May 2016

«2016 managers and administrative staff» and «2016 Brazil» bonus performance share plans

Performance conditions

The allotments are divided up into three tranches, and each tranche covers one third of the shares allotted. Different performance conditions must be met to trigger the vesting of each tranche. These performance conditions are based on the growth in consolidated EBITDA during the 2018 financial year compared with the consolidated EBITDA for the 2015 financial year, on the growth in consolidated earnings per share for the 2018 financial year compared with the consolidated earnings per share for the 2015 financial year and on the change in the Albioma share price, calculated with net dividends reinvested (based on the average share price over 120 days) between 24 May 2016 and 24 May 2019 compared with the movement in the CAC Small Net Return (CACSN) index over the same period.

Lock-in commitment

Shares that have vested are not subject to any lock-in commitment, the corporate officers being however subject to the obligation to retain as registered shares 25% of the vested shares until they stand down from office.

Status of the plan at 31 December 2019

The performance levels resulted in the vesting, on 24 May 2019 and 26 July 2019, of 382,779 shares in light of the continued service of the relevant beneficiaries at those dates.

Bonus performance share plans adopted by the General Meeting of 30 May 2018

"2018" bonus performance share plan

Performance conditions

The allotments are divided up into four tranches, and each tranche covers 25% of the shares allotted. Different performance conditions must be met to trigger the vesting of each tranche. These performance conditions are based on the growth in consolidated EBITDA during the 2020 financial year compared with the consolidated EBITDA for the 2017 financial year, on the growth in consolidated earnings per share for the 2020 financial year compared with the consolidated earnings per share for the 2017 financial year and on the change in the Albioma share price, calculated with net dividends reinvested (based on the average share price over 120 days) between 1 January 2018 and 31 December 2020 compared with the movement in the CAC Small Net Return (CACSN) index over the same period, and on the increase between 2017 and 2020 in the proportion of the Group's total energy production that corresponds to renewable energies.

Lock-in commitment

Shares that have vested are subject to a one-year lock-in commitment, without prejudice to the obligation on corporate officers to retain as registered shares 25% of the shares vesting until they stand down from office.

Status of the plan at 31 December 2019

Plan currently in operation.

"2019" bonus performance share plan

Performance conditions

Different performance conditions must be met to trigger the vesting of each tranche. These performance conditions are based on the growth in consolidated EBITDA during the 2021 financial year compared with the consolidated EBITDA for the 2018 financial year, on the growth in consolidated earnings per share for the 2021 financial year compared with the consolidated earnings per share for the 2018 financial year and on the change in the Albioma share price, calculated with net dividends reinvested (based on the average share price over 120 days) between 1 January 2019 and 31 December 2021 compared with the movement in the CAC Small Net Return (CACSN) index over the same period, and on the increase between 2018 and 2021 in the proportion of the Group's total energy production that corresponds to renewable energies.

Lock-in commitment

Shares that have vested are subject to a one-year lock-in commitment, without prejudice to the obligation on corporate officers to retain as registered shares 25% of the shares vesting until they stand down from office.

Status of the plan at 31 December 2019

Plan currently in operation.

Valuation and amounts recognised as expenses

	2019 performance share plan	2018 performance share plan	2016 performance share plan (managers and administrative staff - France and Brazil)
Initial unit fair value (in euros)	18.53	18.66	10.81
Life of the conditional allotment	3 years	3 years	3 years
Fair value of the conditional allotment (in thousands of euros)	2,778	2,837	2,244
AMOUNT RECOGNISED IN EXPENSES (IN THOUSANDS OF EUROS)			
2019	**759**	**1,004**	**626**
2018	-	496	997
2017	-	-	1 947
2016	-	-	447
ASSUMPTIONS USED FOR EVALUATION			
Volatility	28%	28%	28%
Stock lending/borrowing rate	n/a	n/a	n/a
Dividends	The expected dividend yield was estimated using a forward-looking approach, based on the distribution policy announced by the Group		

24.3. Issue of redeemable share subscription and/or purchase warrants ("BSAAR Warrants")

In December 2018, Albioma launched an issue of redeemable share subscription and/or purchase warrants (the "BSAAR warrants") to 42 employees of the Company and its subsidiaries and the Company's Chief Executive Officer, without preferential subscription rights for the shareholders.

With a subscription rate of over 140%, the transaction resulted in the issue of 1,071,731 BSAAR warrants of €0.90 each (giving issue proceeds of €964,557.90), allocated to 31 subscribers including the Chief Executive Officer, who subscribed for 110,650 BSAAR warrants.

The exercise of all of the BSAAR warrants would result in the creation, between 6 December 2021 and 4 December 2024, of a number of new shares representing around 3.46% of the share capital as at 30 November 2018 (3.35% of the share capital post exercise of the BSAAR warrants). The exercise price of the BSAAR warrants was set at €20.90, i.e. a price equal to 120% of the average closing prices quoted for the Company's shares over a period of 20 consecutive trading days preceding 8 November 2018.

24.4. Number of shares

Movements in the number of shares making up the share capital are shown below:

At 31/12/2017	**30,248,927**
Shares issued due to the payment of dividends in shares	309,734
Treasury shares	(439,240)
At 31/12/2018	**30,119,421**
Shares issued due to the payment of dividends in shares	389,889
Treasury shares	377,059
At 31/12/2019	**30,886,369**

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 acquisition conditions are met.

The dilutive effects are created by the issuance of stock subscription options as well as by the allotment of bonus performance shares.

	31/12/2019	31/12/2018
Weighted average number of shares	30,697,840	30,339,041
Potential dilution	861,507	382,930
Diluted weighted average number of shares	**31,559,346**	**30,721,971**
GROUP TOTAL		
Net income	44,105	44,151
Net income/weighted average number of shares (in euros)	**1.437**	**1.455**
Net income/diluted weighted average number of shares (in euros)	**1.398**	**1.437**

24.5. Dividends

On 27 May 2019, the General Meeting of Albioma's shareholders decided to set the dividend at €0.65 per share and to offer each shareholder the option of receiving payment of half of the dividend in new shares. This option could be exercised between 13 June and 4 July 2019.

The option for payment of the dividend in shares resulted in the subscription of 389,889 new shares issued at the price of €17.91 per share. The new shares were delivered and admitted for trading on Euronext Paris on 10 July 2019. The dividend payment in cash took place on the same date.

NOTE 25. FINANCIAL DEBT

25.1. Analysis by type (current and non-current)

The Group's financial debt can be broken down as follows:

	At 31/12/2019				At 31/12/2018			
In thousands of euros	Project debt	Corporate debt	Bank overdrafts, accrued interest and loan issue costs	Total	Project debt	Corporate debt	Bank overdrafts, accrued interest and loan issue costs	Total
Debts with financial institutions	836,985	103,500	(13,933)	926,552	638,425	137,500	(13,330)	762,595
Lease liabilities	11,373	-	-	11,373	83,103	-	-	83,103
Lease liabilities related to right-of-use assets	35,934	-	-	35,934	-	-	-	-
Total	**884,292**	**103,500**	**(13,933)**	**973,860**	**721,528**	**137,500**	**(13,330)**	**845,698**
Non-current financial debt				794,839				722,240
Current financial debt				179,021				123,458

At 31 December 2019, the Group's average interest rate outside Brazil was 3.3% compared with 3.4% in 2018. The average interest rate in Brazil was 8.6% compared with 9.2% in 2018.

At 31 December 2019, fixed-rate debt (after hedging is taken into account) represented 81% of total financial debt (see details in note 25 to the consolidated financial statements), compared with 87% at 31 December 2018.

Project debt is non-recourse debt in respect of Albioma, except in the case of Brazil and debt relating to projects in the construction phase, for which Albioma has granted parent company guarantees. It is borne by dedicated project entities.

The change in financial debt during the period is broken down below:

In thousands of euros	Lease liabilities	Bank and other borrowings	Lease liabilities related to right-of-use assets	Total
31/12/2017	**88,468**	**618,809**	**-**	**707,277**
Debt issues	-	178,762	-	178,762
Repayments	(5,365)	(36,135)	-	(41,500)
Net change	-	(2,890)	-	(2,890)
Translation differences	-	(2,765)	-	(2,765)
Impact of changes in the consolidation scope	-	6,814	-	6,814
31/12/2018	**83,103**	**762,595**	**-**	**845,698**
Debt issues	-	226,322	1,497	227,819
IFRS 16 initialisation	-	-	36,059	36,059
Repayments	(1,390)	(128,826)	(1,617)	(131,833)
Reclassifications	(70,340)	70,246	-	(94)
Net change	-	248	-	248
Translation differences	-	(524)	(5)	(529)
Impact of changes in the consolidation scope	-	(3,508)	-	(3,508)
31/12/2019	**11,373**	**926,552**	**35,934**	**973,860**

The main debt issues during the period were as follows:

- Albioma entered into a €60 million bank facility. This revolving financing follows a previous line of €40 million, which was coming to an end. This facility has a maturity of five years, which may be extended to seven years. It had not been drawn down at 31 December 2019;
- Albioma Solaire France contracted a €61 million loan, of which €46 million has been drawn down, to finance Eneco France's assets and accelerate development. This non-recourse project loan refinances the existing assets and includes an amount for funding the construction of a portfolio of small- and medium-power photovoltaic power plants. This debt matures in 13 years in the case of existing plants and 20 years in the case of projects in the development phase;
- Albioma Le Moule contracted a €68 million loan, in addition to its existing debt, of which €47 million has been drawn. This loan will be used to finance the provision of new infrastructure and changes to the plant's facilities, to enable it to operate exclusively on biomass by the end of 2020. This debt has a maturity of 19 years.

Other debt issues related mainly to:

- the drawdown of the €33 million balance of the Albioma Le Moule debt intended to finance the work to bring the power plant into compliance with the Industrial Emissions Directive (IED);
- the drawdown of the €29 million balance of the Albioma Bois-Rouge debt intended to finance the work to bring the power plant into compliance with the Industrial Emissions Directive (IED).

In addition, at 31 December 2019, Albioma had undrawn credit lines amounting to €65 million.

For the year ended 31 December 2018, the main debt issues related to the €110 million agreement to finance the Solar Power business in the Indian Ocean. This refinancing enabled the Group to optimise the structure of the funding of its existing projects and extend the maturity of its current debt while securing the future financing of projects won as part of calls for tender initiated by the Energy Regulation Commission or under a purchasing obligation. At 31 December 2018, the amount drawn down was €74 million. Since this constituted, in part, the refinancing of existing borrowings (€56 million, including the financing of expenses), this transaction was analysed, in accordance with IFRS 9, as a modification of the existing debt rather than as the extinguishment of the existing debt and the subsequent issue of new debt. This treatment generated a €3.5 million profit, which was recognised in the 2018 income statement. The profit is presented on the "Other financial income" line in the income statement.

Other debt issues related mainly to:

- the drawdown of €50 million of the Albioma le Moule debt to finance the work to bring the power plant into compliance with the Industrial Emissions Directive (IED);
- the additional drawdown of the Albioma Bois-Rouge debt amounting to €48 million to finance the work to bring the power plant into compliance with the Industrial Emissions Directive (IED);
- the drawdown by Albioma of short-term facilities and debt totalling €53 million to finance the acquisitions that took place at the end of the year, which were refinanced in 2019;
- the additional drawdown of the Albioma Saint-Pierre debt amounting to €4.4 million.

25.2. Maturity analysis of total repayments of financial debt

The breakdown by maturity of total undiscounted repayments of financial debt (including repayment of principal and payment of interest) is as follows:

At 31 December 2019

In thousands of euros	Due within 1 year	Due between 1 and 5 years	Due in more than 5 years	Total
Financial debt	204,313	362,079	528,207	1,094,600
Lease liabilities	1,615	7,589	5,558	14,762
Lease liabilities related to right-of-use assets	1,740	7,260	26,934	35,934
Total	**207,668**	**376,928**	**560,700**	**1,145,296**

At 31 December 2018

In thousands of euros	Due within 1 year	Due between 1 and 5 years	Due in more than 5 years	Total
Financial debt	143,726	365,895	403,370	912,991
Lease liabilities	7,220	33,214	56,475	96,910
Total	**150,947**	**399,109**	**459,845**	**1,009,901**

For debt at variable interest rates, total repayments have been determined based on interest rates at the end of the financial year concerned.

The amount of minimum payments in respect of finance leases corresponds to the total repayments of lease liabilities indicated above.

25.3. Net borrowings

In thousands of euros	31/12/2019	31/12/2018
BORROWINGS AND FINANCIAL DEBT		
Finance leases	11,373	83,103
Lease liabilities related to right-of-use assets	35,934	-
Bank loans	920,706	775,925
Other liabilities	5,846	(13,330)
Total	**973,860**	**845,698**
CASH AND CASH EQUIVALENTS		
Cash	(142,550)	(76,559)
Cash equivalents	(18,833)	(18,738)
Total	**(161,383)**	**(95,297)**
Finance lease deposits	(3,757)	(3,237)
Net financial debt after deducting deposits paid	**808,720**	**747,164**

The project companies also benefited from shareholder advances recognised in “Other current liabilities” in the amount of €14.1 million at 31 December 2019, compared with €22.3 million at 31 December 2018.

NOTE 26. FINANCIAL DERIVATIVES

Hedging instruments

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 subsidiary Albioma Caraïbes for the purposes of hedging the residual value of the lease have been recognised as cash flow hedges.

Analysis of electricity sale agreements entered into with the Central Electricity Board (CEB) in Mauritius by OTEO La Baraque, OTEO Saint-Aubin and Terragen respectively indicated the presence of embedded currency derivatives that have been recognised at fair value in the financial statements of these equity-accounted companies. They have been classified as hedges of a net investment. The amounts recognised in respect of these derivatives are presented in note 18 to the consolidated financial statements.

The amount recognised in profit or loss in respect of the ineffective portion of hedging instruments is immaterial.

			Fair values in the statement of financial position				Recognition of changes	
	Maturity	Notional amount in millions of euros	31/12/2018		31/12/2019		Profit or loss	Transitory account in shareholders' equity
In thousands of euros			Assets	Liabilities	Assets	Liabilities		
Hedging of variable-rate debt by interest-rate swaps	2020 to 2040	614	267	(36,392)	308	(49,704)	-	(13,271)
Total cash flow hedging derivatives		**614**	**267**	**(36,392)**	**308**	**(49,704)**	**-**	**(13,271)**

The change in the fair value of financial derivative instruments was due mainly to changes in interest rates.

A 50bp decline in interest rates would increase the amount of financial liabilities relating to hedging instruments by €18.6 million. A 50bp increase in interest rates would decrease the amount of financial liabilities relating to hedging instruments by €18.5 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 2019, this valuation was immaterial.

The following table provides an analysis by maturity date of the fair value of the financial instruments at 31 December 2019:

In thousands of euros	
Due within 1 year	10,944
Due between 1 and 5 years	29,490
Due in more than 5 years	8,962
Total	**49,396**

NOTE 27. EMPLOYEE BENEFITS

The amount of contributions paid in respect of defined contribution retirement plans amounted to €7.1 million for the year ended 31 December 2019 compared with €6.2 million for 2018.

Employee benefits break down as follows:

In thousands of euros	31/12/2019	31/12/2018
Post-employment benefits	39,616	31,374
Other long-term benefits	3,505	2,893
Total	**43,121**	**34,267**

27.1. 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, the Electricity and Gas Industry (IEG) plan and the time banking for pre-retirement leave (*comptes épargne jours retraite* – CEJR) 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 breaks down as follows:

In thousands of euros	31/12/2019	31/12/2018
Cost of services rendered during the year	3,298	3,006
Financial cost	407	411
Net expense for the year	**3,705**	**3,417**

The cost of services rendered net of benefits paid is presented in the "Charges to provisions" line in the income statement. The financial cost is presented in the "Other financial expenses" line in the income statement.

The change in the net amounts recognised in the statement of financial position is analysed below:

In thousands of euros	31/12/2019	31/12/2018
Opening obligation	**31,374**	**30,414**
Net expense for the year	3,705	3,417
Contributions paid	(1,324)	(1,267)
Actuarial gains and losses recognised in reserves	5,869	(1,390)
Impact of changes in the consolidation scope	87	-
Other changes	(95)	200
Closing obligation	**39,616**	**31,374**

The amount of plan assets is immaterial.

For the year ended 31 December 2019, actuarial gains and losses stem from experience effects for an amount of €2.1 million and the impact of changes in actuarial assumptions for an amount of €3.8 million.

For the year ended 31 December 2018, actuarial gains and losses stem from experience effects for an amount of €2 million and the impact of changes in actuarial assumptions for an amount of -€3.4 million.

27.2. Other long-term benefits

Other long-term benefits mainly comprise additional medical coverage.

The amounts recognised in liabilities in respect of these plans break down as follows:

In thousands of euros	31/12/2019	31/12/2018
Present value of the liability	3,505	2,893
Net amount recognised in the statement of financial position	**3,505**	**2,893**

The net expense recognised in the income statement in respect of other long-term benefits breaks down as follows:

En milliers d'euros	31/12/2019	31/12/2018
Cost of services rendered during the year	779	433
Financial cost	42	38
Net expense for the year	**821**	**471**

The cost of services rendered net of benefits paid is presented in the "Charges to provisions" line in the income statement. The financial cost is presented in the "Other financial expenses" line in the income statement.

The change in the net amounts recognised in the statement of financial position is analysed below:

In thousands of euros	31/12/2019	31/12/2018
Net amount recognised in the opening statement of financial position	**2,893**	**2,611**
Net expense for the year	821	471
Contributions paid	(220)	(189)
Impact of changes in the consolidation scope	13	-
Other changes	(2)	-
Net amount recognised in the closing statement of financial position	**3,505**	**2,893**

27.3. Actuarial assumptions

The main actuarial assumptions used to calculate obligations in respect of lump-sum retirement payments (*indemnités de départ en retraite* - IDR) and the Electricity and Gas Industry (*Industries Électriques et Gazières* - IEG) statute are as follows:

	31/12/2019	31/12/2018
Discount rate	0.80%	1.50%
Inflation rate	1.70%	1.75%
Life expectancy table	INSEE générationnelle	INSEE générationnelle

A 50bp increase in the discount rate would decrease the amount of employee benefit obligations by around €3.3 million, while long-term benefit obligations would fall by around €0.3 million.

NOTE 28. PROVISIONS FOR LIABILITIES

The change in provisions for liabilities and charges during the year comprises the following items:

In thousands of euros	Provisions to hedge industrial and other risks	Other provisions	Total non-current provisions
Provision at 31/12/2017	**1,300**	**11,218**	**12,518**
Charges	2,290	235	2,525
Reversals – utilised	-	(283)	(283)
Reversals – used	-	(5,486)	(5,486)
Impact of changes in the consolidation scope	(1,300)	(722)	(2,022)
Other	-	22	22
Provision at 31/12/2018	**2,290**	**4,984**	**7,274**
Charges	-	407	407
Reversals – unused	-	(2,525)	(2,525)
Impact of changes in the consolidation scope	-	(224)	(224)
Translation differences	-	(5)	(5)
Other	10	-	10
Provision at 31/12/2019	**2,300**	**2,636**	**4,936**

During the year ended 31 December 2019, the Group recognised provisions for liabilities in respect of the uncertainties surrounding projects and in respect of litigation and disputes. The provision reversals were due to liabilities or disputes recognised in previous years ceasing to exist.

NOTE 29. DEFERRED TAX

Deferred tax assets and liabilities recognised in the statement of financial position break down as follows:

	Assets		Liabilities		Net	
In thousands of euros	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**
Difference between amounts for accounting and tax purposes						
Non-current assets	13,357	10,942	(23,515)	(23,353)	(10,158)	(12,411)
Provisions	11,801	6,603	-	-	11,801	6,603
Other	3,148	3,359	(3,044)	(5,641)	104	(2,282)
Finance leases	2,555	-	(35,999)	(33,946)	(33,444)	(33,946)
Derivatives	12,808	9,373	-	-	12,808	9 373
Tax losses	305	483	-	-	305	483
Total	**43,974**	**30,760**	**(62,558)**	**(62,940)**	**(18,584)**	**(32,180)**
Impact of offsetting	(39,031)	(30,047)	39,032	30,047	1	-
Net deferred tax	**4,943**	**713**	**(23,526)**	**(32,893)**	**(18,583)**	**(32,180)**

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 the net deferred tax during the period comprises the effect of the decrease in the standard tax rate provided for by the 2018 Finance Act and applicable to the Group in France as from 2019. Thus, in accordance with IAS 12 «Income Taxes», deferred taxes which are expected to reverse as from 1 January 2019 have been measured on the basis of a standard tax rate of 28% as compared with the $33^{1/3}$% rate previously applied.

The change in deferred tax is broken down below:

In thousands of euros	Total
Net deferred tax at 31/12/2017	**(32,455)**
Profit or loss	1,845
Impact of business combinations	(1,790)
Other movements	(197)
Equity	417
Net deferred tax at 31/12/2018	**(3,180)**
Profit or loss	7 314
Impact of business combinations	(2,511)
IFRS 16 initialisation	2,352
Other	1,834
Equity	4,608
Activities held for sale	-
Net deferred tax at 31/12/2019	**(18,583)**

NOTE 30. TRADE PAYABLES

These liabilities break down as follows:

In thousands of euros	31/12/2019	31/12/2018
Trade payables	62,948	57,625
Amounts due to suppliers of non-current assets	13,870	8,753
Total	**76,817**	**66,378**

The change in trade payables was due mainly to changes in outstanding liabilities due to sugar producers.

The main components of the change in amounts due to suppliers of non-current assets were Albioma le Gol's and Albioma Galion's trade payables in respect of projects in the development phase.

NOTE 31. CORPORATION TAX, DUTIES, AND TAX AND SOCIAL SECURITY LIABILITIES

These liabilities break down as follows:

In thousands of euros	31/12/2019	31/12/2018
Current tax liabilities	4,914	10,145
Other tax and social security liabilities	28,027	25,751
Total	**32,941**	**35,896**

NOTE 32. OTHER CURRENT OPERATING LIABILITIES

Other current liabilities break down as follows:

In thousands of euros	31/12/2019	31/12/2018
Deferred income	7,958	7,802
Other creditors	25,736	41,232
Total	**33,694**	**49,034**

The main components of «Other creditors» are current accounts and other operating liabilities.

NOTE 33. FINANCIAL INSTRUMENTS

The fair values of financial instruments are as follows:

	Carrying amount		Fair value	
In thousands of euros	**31/12/2019**	**31/12/2018**	**31/12/2019**	**31/12/2018**
FINANCIAL ASSETS				
Non-current financial assets	5,149	4,901	5,149	4,901
Trade receivables	59,290	74,488	59,290	74,488
Other current assets	49,265	51,733	49,265	51,733
Cash and cash equivalents	161,383	95,297	161,383	95,297
Total financial assets	**275,086**	**226,419**	**275,086**	**226,419**
FINANCIAL LIABILITIES				
Non-current financial debt	760,645	722,240	885,043	846,638
Lease liabilities related to right-of-use assets – non-current	34,194	-	34,194	-
Current financial debt	177,280	123,458	177,280	123,458
Lease liabilities related to right-of-use assets – current	1,740	-	1,740	-
Trade payables	76,817	66,378	76,817	66,378
Other current financial liabilities	66,635	84,930	66,635	84,930
Financial derivatives	49,704	36,392	49,704	36,392
Total financial liabilities	**1,167,016**	**1,033,398**	**1,257,220**	**1,157,796**

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.

At 31 December 2019

In thousands of euros	Level[2]	Carrying amount	Financial assets and liabilities measured at fair value through profit or loss	Loans, receivables and hedging instruments
FINANCIAL ASSETS				
Non-current financial assets	2	5,149	-	5,149
Trade receivables	2	59,290	-	59,290
Other current assets		49,265	-	49,265
Cash and cash equivalents	1 and 2	161,383	161,383	-
Total financial assets		**275,086**	**161,383**	**113,703**
FINANCIAL LIABILITIES				
Non-current financial debt1	2	760,645	-	760,645
Current financial debt	2	177,280	-	177,280
Trade payables		76,817	-	76,817
Other current financial liabilities	2	66,635	-	66,635
Financial derivatives	2	49,704	-	49,704
Total financial liabilities		**1,131,082**	**-**	**1,131,082**

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 evaluation technique based on observable parameters;*
- *Level 3: evaluation technique incorporating non-observable parameters.*

At 31 December 2018

In thousands of euros	Level[2]	Carrying amount	Financial assets and liabilities measured at fair value through profit or loss	Loans, receivables and hedging instruments
FINANCIAL ASSETS				
Non-current financial assets	2	4,901	-	4,901
Trade receivables	2	74,488	-	74,488
Other current assets		51,733	-	51,733
Cash and cash equivalents	1 and 2	95,297	95,297	-
Total financial assets		**226,419**	**95,297**	**131,122**
FINANCIAL LIABILITIES				
Non-current financial debt[1]	2	722,240	-	722,240
Current financial debt	2	123,458	-	123,458
Trade payables		66,378	-	66,378
Other current financial liabilities	2	84,930	-	84,930
Financial derivatives	2	36,392	-	36,392
Total financial liabilities		**1,033,398**	**-**	**1,033,398**

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 evaluation technique based on observable parameters;
- Level 3: evaluation technique incorporating non-observable parameters.

NOTE 34. RISK AND CAPITAL MANAGEMENT

34.1. Risk management

Interest rate risk

Since interest rate changes cannot be passed on to customers, 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 €808.7 million at 31 December 2019 compared with €747.2 million at 31 December 2018. Interest rate hedging instruments are presented in note 26 to the consolidated financial statements.

At 31 December 2019, fixed-rate or hedged debt represented 82% of total financial debt, compared with 87% at 31 December 2018.

Sensitivity of financial assets and liabilities to changes in interest rates

After taking into account interest rate hedges, a 50 basis points increase in interest rates would result in an additional expense of €0.34 million. This amount corresponds to 1% of the total amount of financial expenses for the year under review (€30.7 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.

The increase in charges is partly passed on to customers in accordance with 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 and wood pellets purchases by the subsidiaries, which are denominated in US dollars, with sale prices to clients specifically taking into account exchange rate movements;
- the business of the Brazilian companies: in the development of its Thermal Biomass business 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 performances from one year to the next. For example, if the euro appreciates against the Brazilian real, this will reduce the contribution to the 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;

- the activity of companies in which Albioma holds non-controlling interests in Mauritius. These companies' financial statements are prepared in Mauritian rupees. Currency risk 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 financial debt, denominated in certain cases in euros, and the partial indexation to the euro of electricity sale agreements. Also, the Group has recognised embedded currency derivatives (Euro/Mauritian rupee) relating to electricity sale contracts.

In respect of the periods presented, currency risks were as follows:

In thousands of euros	31/12/2019	31/12/2018
Net value in euros of net assets denominated in Mauritian rupees	21,721	23,220
Net value in euros of net assets denominated in Brazilian real	63,755	55,524
Total net assets denominated in foreign currencies	**85,476**	**78,744**

Net assets denominated in Mauritian rupees are subject to hedging of a net investment in a foreign operation as described in note 18 to the consolidated financial statements.

For the year ended 31 December 2019, the impact of the change in the rate of the Brazilian real against the euro would be as follows:

Impact on net income		Impact on shareholders' equity	
5% increase	5% decrease	5% increase	5% decrease
0.2%	(0.2%)	0.8%	(0.7%)

Counterparty risk

Given the high quality of the parties to the agreements, particularly the subsidiaries, the counterparty risk relating to trade receivables is immaterial. The statement of financial position included no material overdue trade receivables at 31 December 2019. Production by the facilities in Brazil relies on sugar cane supplied by the Group's sugar-producing partners. The Group does not have any specific dependence on its suppliers.

Regarding its investments and borrowings, the Group deals only with top-tier financial institutions.

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:

In thousands of euros	31/12/2019	31/12/2018
Cash equivalents	18,833	18,738
Cash	142,550	76,559
Lines of credit not utilised	65,000	2,000
Liquidity position	**226,383**	**97,297**

Country, industrial and environmental risks

The risks relating to the location of assets, as well as the industrial and environmental risks, are presented in Sections 1.8.1.1 and 1.8.1.2 respectively of the 2019 Universal Registration Document.

Legal risks and risks stemming from regulatory changes

The legal risks stemming from changes in the regulatory framework are presented in Section 1.8.1.5 of the 2019 Universal Registration Document. The energy 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. Furthermore, the Group has benefited from certain favourable tax measures in the French overseas departments 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.

34.2. 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 share of capital, as well as the unrealised gains and losses recorded under other comprehensive income 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.

Albioma appointed Rothschild Martin Maurel to implement a liquidity contract. This liquidity contract, which complies with the AMAFI (*Association des Marchés Financiers*) code of conduct approved by the Financial Markets Authority, is in line with the share buyback programmes approved by the General Meeting of the shareholders on 30 May 2018 and 27 May 2019, a description of which was published on the Company's website. The purpose of the contract is to stimulate the market for Albioma securities on Euronext Paris.

NOTE 35. OFF-BALANCE SHEET COMMITMENTS

35.1. Off-balance sheet commitments given

In thousands of euros	31/12/2019	31/12/2018
Guarantees given to suppliers	15,856	13,954
Fixed leases	-	18,278
Guarantees concerning ensuring the safety of the Classified Installations for Environmental Protection (ICPE)	249	332
Commitments given relating to operating activities	**16,105**	**32,563**
Assets pledged as collateral	-	-
Guarantees on environmental risks	3,982	4,050
Sundry guarantees	2,223	1,984
Commitments given relating to financing activities	**6,205**	**6,035**
Liabilities guarantees	-	-
Commitments given relating to changes in the consolidation scope	**-**	**-**
Total off-balance sheet commitments given	**22,310**	**38,598**

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 are henceforth recognised on the balance sheet in accordance with the provisions of IFRS 16.

Guarantees concerning ensuring the safety of the Classified Installations for Environmental Protection (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 2019, these guarantees amounted to €0.2 million.

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.

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 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%
Albioma Saint-Pierre	18/07/2016	31/10/2040	40	7,670	1%	2,040	100%
Albioma Solaire Réunion	15/05/2018	30/06/2039	50	50	100%	50	100%
Albioma Solaire Mayotte	15/05/2018	30/06/2039	10	10	100%	999	100%
Elect 12	15/05/2018	30/06/2039	2,092	2,092	100%	2,092,438	99,9%
Albioma Power Alliance	15/05/2018	30/06/2039	120	120	100%	120	100%
Plexus Sol	15/05/2018	30/06/2039	37	37	100%	3,700	100%
Albioma Solaire Bethléem	15/05/2018	30/06/2039	3,600	3,600	100%	3,600,000	100%
Elecsol La Réunion 10	15/05/2018	30/06/2039	100	100	100%	196	100%
Voltaréunion	15/05/2018	30/06/2039	43	43	100%	43,094	100%
Elecsol Saint-André	15/05/2018	30/06/2031	-	-	100%	100	100%
Elecsol Les Avirons	15/05/2018	30/06/2031	1	1	100%	100	100%
Elecsol Cambaie	15/05/2018	30/06/2031	1	1	100%	100	100%
Elecsol Saint-Pierre 1	15/05/2018	30/06/2031	1	1	100%	100	100%
Elecsol La Réunion 1	15/05/2018	30/06/2031	-	-	100%	100	100%
Elecsol La Réunion 13	15/05/2018	30/06/2031	-	-	100%	100	100%
Elecsol La Réunion 16	15/05/2018	30/06/2031	-	-	100%	100	100%
Elecsol La Réunion 18	15/05/2018	30/06/2031	-	-	100%	100	100%
Elecsol Sainte-Suzanne	15/05/2018	30/06/2031	1	1	100%	100	100%
Elecsol Les Tamarins	15/05/2018	30/06/2031	1	1	100%	100	100%
Albioma Énergipole Solaire	15/03/2018	30/06/2038	75	632	12%	500	50%
OTS	30/06/2017	30/06/2037	440	440	100%	4,400	40%
Albioma Solar Assets France 1	30/06/2017	30/06/2037	46,000	46,000	100%	683	100%

Guarantee on environmental risks

This commitment relates to guarantees on environmental risks issued to the bank that financed the acquisitions of the Albioma Rio Pardo Termoelétrica and Albioma Codora Energia power plants.

Sundry guarantees

The change compared with 2018 was due to Albioma's guaranteeing of the amount corresponding to the domestic consumption tax on electricity (TICFE) contested by Albioma Le Gol, and also to Albioma's guaranteeing of the amount corresponding to the domestic consumption tax on electricity (TICFE), the tax on value added and the tax (late payment interest) not paid by Albioma Bois-Rouge, the corresponding amounts being subject to collection proceedings on the part of the French Customs and Excise Directorate.

35.2. Off-balance sheet commitments received

In thousands of euros	31/12/2019	31/12/2018
Shareholders' counter-guarantees	-	-
Reserve account: end of 2014 sugar harvest compensation	3,892	3,739
Commitments received for electricity purchases	Not evaluated	Not evaluated
Commitments received relating to operating activities	**3,892**	**3,739**
Lines of credit granted but not utilised	65,000	2,000
Lines of credit granted for projects	42,994	107,931
Liabilities guarantees	6,954	6,954
Commitments received relating to financing activities	**114,948**	**116,885**
Liabilities guarantees	-	-
Commitments given relating to changes in the consolidation scope	**-**	**-**
Total off-balance sheet commitments received	**118,840**	**120,624**

Commitments received relating to operating activities

Shareholders' counter-guarantees

The change compared with 2018 was due to the extinguishment of the counter-guarantee issued by Compagnie Financière Européenne de Prise de Participations (COFEPP) and by Océan Indien Participation for the Saint-Pierre combustion turbine following its commissioning.

Reserve account: end of 2014 sugar harvest compensation

Following the signing of an agreement dated 9 December 2015 between Albioma Rio Pardo Termoelétrica and the Usina Rio Pardo sugar refinery, the Group decided to allocate contractual compensation to be borne by the sugar refinery in respect of the 2014 sugar harvest to a reserve account.

The balance on this reserve account was €3.9 million at 31 December 2019 and it will be maintained until the end of the consortium's existence, i.e. until 31 March 2036. It will enable Albioma Rio Pardo Termoelétrica to offset any penalties due to the sugar refinery arising at the end of the sugar harvest.

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 for the thermal and photovoltaic power plants, the 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 agreements.

Commitments received relating to financing activities

At 31 December 2019, the Group benefited from commitments received for the financing of projects and operations for an amount of €37.3 million, undrawn at this date (including €21 million for the Albioma Le Moule power plant, €14.9 million for Albioma Solaire Réunion and €50 million for Albioma). In addition, the Group had €65 million in unused credit lines.

Commitments received relating to changes in the consolidation scope

Liabilities guarantees

A liabilities guarantee for a maximum amount of €6.9 million with a three-year maturity was received following the acquisition of Eneco France on 11 December 2018.

NOTE 36. RELATED PARTIES

The consolidated financial statements comprise the financial statements of Albioma and of the subsidiaries mentioned in note 40 to the consolidated financial statements.

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 2019 and 31 December 2018:

In thousands of euros	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
2019	1,409	7,201	4,580	1,862
2018	1,416	7,025	3,857	1,913

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 payables due to related parties;
- For the years ended 31 December 2019 and 31 December 2018, 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 for the Group's key executives and the directors' fees paid to the Company's Directors in respect of 2019 and 2018 are shown below:

In thousands of euros	2019	2018
Remuneration	2,739	2,689
Directors' fees	190	160
Conditional share-based payments[1]	1,245	857
Total	**4,174**	**3,706**

1. *Excluding IFRS 2 charges relating to the 2014 bonus performance share plan cancelled during the year ended 31 December 2017.*

Frédéric Moyne is entitled to severance pay if his term of office as Chief Executive Officer comes to an end in the event the Board of Directors decides to remove him from office or not to renew his appointment as Chief Executive Officer. The maximum gross amount of the severance payment is set at 15 months of the gross fixed annual remuneration received in respect of the last 12 months preceding the termination of office, plus the average of the gross variable remuneration received in respect of the last three financial years preceding the termination of office.

Details of the allotments of performance shares to the members of the Executive Committee are provided in the following table:

In number of shares	Rights allotted in 2019
Frédéric Moyne	30,620
Other members of the Executive Committee	100,860
Total	**131,480**

NOTE 37. CO_2 EMISSION ALLOWANCES

The Group's power plants located in the overseas departments are included in operations subject to regulations regarding carbon dioxide (CO_2) emission allowances.

In thousands of tonnes	2019	2018
Opening allowances	**13**	**5**
Allowances allocated free of charge	131	134
CO_2 emitted	(2,009)	(1,967)
CO_2 allowances acquired	1,873	1,841
Closing allowances	**8**	**13**

The contracts between all of the Group's thermal power plants in the French overseas departments and EDF provide for the cost of purchasing quotas on the market to be passed on to EDF via monthly invoices, excluding any transaction fees and after transferring any free quotas allocated in respect of their cogeneration activity. In accordance with the ministerial order issued on 24 January 2014, the Bois-Rouge, Le Gol and Le Moule power plants received 131 thousand tonnes of free quotas in respect of 2019 in recognition of their cogeneration activity.

NOTE 38. RECONCILIATION OF STATEMENT OF CASH FLOWS AND NOTES TO THE FINANCIAL STATEMENTS

38.1. Reconciliation of changes in statement of financial position items and cash flows

				Cash flow statement item					
In thousands of euros	Note	"Opening balance"	Non-monetary changes[1]	Change in working capital	Tax paid	Investing flows	Other financing flows including the change in current accounts	Dividends paid	Closing balance
Trade receivables	21	74,488	(436)	(14,761)	-	-	-	-	59,290
Stocks	22	62,237	227	(7,449)	-	-	-	-	55,015
Other creditors	23	51,733	(4,787)	2,996	4,078	(5,785)	1,029		49,265
Total		**188,458**	**(4,996)**	**(19,214)**	**4,078**	**(5,785)**	**1,029**	**-**	**163,570**
Trade payables	29	57,631	(3,559)	8,882	-	-	-	-	62,954
Amounts due to suppliers of non-current assets	29	8,747	(3)		-	5,120	-	-	13,864
Tax and social security liabilities	30	35,896	(3,442)	2,318	(1,831)	-	-	-	32,941
Other liabilities	31	49,034	(7,114)	(7,286)	-	-	(940)	-	33,694
Total		**151,308**	**(14,119)**	**3,914**	**(1,831)**	**5,120**	**(940)**	**-**	**143,452**
Impact on cash flows				**23,128**	**(5,909)**	**10,905**	**(1,969)**	**-**	
Tax in Income statement				-	(30,982)	-	-	-	
Tax with no impact on cash				-	-	-	-	-	
Purchases of property, plant and equipment	29			-	-	(157,753)	-	-	
Increase in right-of-use assets (IFRS 16)				-	-	(1,846)	-	-	
Purchases of intangible assets				70	-	(357)	-	-	
Dividends paid				-	-	-	-	(20,234)	
Change in treasury shares				-	-	-	(74)	-	
Total				**23,198**	**(36,891)**	**(149,051)**	**(2,043)**	**(20,234)**	
Statement of cash flows				**23,198**	**(36,891)**	**(149,051)**	**(2,043)**	**(20,234)**	

1. Non-monetary changes include reclassifications between accounts, and the effects of translation adjustments and changes in consolidation scope.

38.2. Breakdown of charges to depreciation, amortisation and provisions in the statement of cash flows

In thousands of euros	Note	
Impairment of goodwill	14	-
Amortisation and impairment of intangible assets	15	(6,971)
Depreciation and impairment of property, plant and equipment	16	(65,650)
Depreciation of right-of-use assets (IFRS 16)		(2,328)
Reversals of impairment losses	16	-
Charges to provisions	27	(407)
Reversals of provisions	27	2,525
Employee benefits (charges net of benefits paid)		(2,533)
Other impairment losses		14
Total charges net of reversals		**(75,350)**

NOTE 39. EVENTS AFTER THE REPORTING PERIOD

As at the date on which the consolidated financial statements were approved, the Company had not identified any material events which arose after the reporting period.

NOTE 40. CONSOLIDATION SCOPE

Fully consolidated companies	Percentage interest at 31/12/2019	Percentage control at 31/12/2019	Percentage interest at 31/12/2018	Percentage control at 31/12/2018
Albioma (formerly Séchilienne-Sidec)	Parent	Parent	Parent	Parent
REUNION ISLAND				
Albioma Bois-Rouge	100%	100%	100%	100%
Albioma Le Gol	65%	65%	65%	65%
Albioma Power Alliance	100%	100%	100%	100%
Albioma Saint-Pierre	51%	51%	51%	51%
Albioma Solaire Bethléem	100%	100%	100%	100%
Albioma Solaire Réunion	100%	100%	100%	100%
Elecsol Cambaie	100%	100%	100%	100%
Elecsol La Réunion 1	100%	100%	100%	100%
Elecsol La Réunion 10	100%	100%	100%	100%
Elecsol La Réunion 13	100%	100%	100%	100%
Elecsol La Réunion 16	100%	100%	100%	100%
Elecsol La Réunion 18	100%	100%	100%	100%
Elecsol Les Avirons	100%	100%	100%	100%
Elecsol Les Tamarins	100%	100%	100%	100%
Elecsol Saint-André	100%	100%	100%	100%
Elecsol Sainte-Suzanne	100%	100%	100%	100%
Elecsol Saint-Pierre 1	100%	100%	100%	100%
Elect 12	100%	100%	100%	100%
Plexus Sol	100%	100%	100%	100%
Voltaréunion	100%	100%	100%	100%
GUADELOUPE				
Albioma Caraïbes (absorbed in 2018 by Albioma Le Moule)	-	-	-	-
Albioma Le Moule	100%	100%	100%	100%
Marie-Galante Énergie (formerly Albioma Marie-Galante)	65%	65%	65%	65%
Albioma Services Réseaux (formerly Albioma Guadeloupe)	100%	100%	100%	100%
Albioma Solaire Caraïbes	100%	100%	100%	100%
FRENCH GUIANA				
Albioma Guyane Énergie	100%	100%	100%	100%
Albioma Solaire Guyane	100%	100%	100%	100%
Albioma Solaire Guyane 2017	100%	100%	100%	100%
Albioma Solaire Kourou	90%	90%	90%	90%
Albioma Solaire Matoury	100%	100%	100%	100%
Albioma Solaire Organabo	100%	100%	100%	100%
MARTINIQUE				
Albioma Galion	80%	80%	80%	80%
Albioma Solaire Antilles	80%	80%	80%	80%
Albioma Solaire Habitat	80%	80%	80%	80%
Albioma Solaire Lasalle	80%	80%	80%	80%
Biomasse de Martinique	33%	33%	33%	33%
Solaire de Martinique	33%	33%	33%	33%
Albioma Solaire Galion (formerly Albioma Solaire du Bac)	51%	51%	51%	51%
MAYOTTE				
Albioma Solaire Mayotte	100 %	100 %	100 %	100 %

Fully consolidated companies	Percentage interest at 31/12/2019	Percentage control at 31/12/2019	Percentage interest at 31/12/2018	Percentage control at 31/12/2018
SPAIN				
Sun Developers 3	100%	100%	100%	100%
Sun Developers 15	100%	100%	100%	100%
Sun Developers 16	100%	100%	100%	100%
Sun Developers 17	100%	100%	100%	100%
Sun Developers 18	100%	100%	100%	100%
Sun Orgiva 1 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 2 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 3 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 4 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 5 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 6 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 7 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 8 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 9 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 10 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 11 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 12 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 13 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 14 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 15 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 16 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 17 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 18 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 19 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 20 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 21 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 22 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 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%
BRAZIL				
Albioma Codora Energia	65%	65%	65%	65%
Albioma Esplanada Energia	60%	60%	60%	60%
UTE Vale do Paraná Albioma	40%	40%	40%	40%
Albioma Participações do Brasil	100%	100%	100%	100%
Albioma Rio Pardo Termoelétrica	100%	100%	100%	100%
MAINLAND FRANCE				
Albioma Services Réseaux (formerly Albioma Guadeloupe)	100%	100%	100%	100%
Albioma Solaire Fabrègues	100%	100%	100%	100%
Albioma Solaire Pierrelatte	100%	100%	100%	100%
Albioma Solaire France	100%	100%	100%	100%
Albioma Solar Assets France 1	100%	100%	100%	100%
Albioma Solar Assets France 2	100%	100%	100%	100%
Albioma Solar Assets France 3	100%	100%	-	-
Société Énergétique de Cazaux de Larboust	100%	100%	100%	100%
Eco Énergie Habitation (sold in 2019)	-	-	100%	100%

Entities representing a control percentage of less than 50% that are fully consolidated are either controlled indirectly dy Albioma, or controlled by Albioma under an agreement or due to the governane structure in place.

Equity-accounted and jointly-owned companies	Percentage interest at 31/12/2019	Percentage control at 31/12/2019	Percentage interest at 31/12/2018	Percentage control at 31/12/2018
MAURITIUS				
Omnicane Thermal Energy Operations La Baraque[1]	25%	25%	25%	25%
Omnicane Thermal Energy Operations Saint-Aubin	25%	25%	25%	25%
Terragen[1]	27%	27%	27%	27%
Terragen Management	28%	28%	28%	28%
REUNION ISLAND				
Compagnie Industrielle des Cendres et Mâchefers	34%	34%	34%	34%
Saint-Benoît Énergies Vertes	20%	20%	20%	20%
MAINLAND FRANCE				
OTS	40%	40%	40%	40%
Volta Environnement	25%	25%	25%	25%
Corbières Photo	25%	25%	25%	25%
Albioma Énergipole Solaire (formerly Énergipole Quantum)[2]	50%	50%	50%	50%

1. Ownership percentages corrected in 2019.
2. Company fully consolidated in 2018.

NOTE 41. INFORMATION ON EQUITY INVESTMENTS WITH SIGNIFICANT NON-GROUP SHAREHOLDERS

41.1. Breakdown of subsidiaries with significant non-controlling interests

		Non-controlling interest percentages	
	Country	2019	2018
Albioma Le Gol	Reunion Island	35%	35%
Albioma Codora Energia	Brazil	35%	35%

The significance is assessed on the basis of the contributions of the entities concerned to current operating income, non-current assets, net debt and total consolidated equity.

The figures in the table below are the full amounts for each item, before elimination of intra-group transactions.

In thousands of euros	31/12/2019	31/12/2018
INCOME STATEMENT		
Revenue	126,690	131,284
Net income	16,790	23,790
Net income, Group share	10,913	15,463
Net income, attributable to non-controlling interests	5,876	8,326
Total comprehensive income	**14,182**	**19,673**
Group share	9,218	12,787
Attributable to non-controlling interests	4,964	6,885
Dividends paid to non-controlling interests	**(6,733)**	**(5,761)**
STATEMENT OF FINANCIAL POSITION		
Non-current assets	288,317	294,869
Current assets	65,894	69,146
Total assets	**354,210**	**364,015**
Equity, Group share	81,354	81,082
Equity, attributable to non-controlling interests	64,841	66,815
Non-current liabilities	117,369	118,290
Current liabilities	90,644	97,828
Total equity and liabilities	**354,208**	**364,015**
STATEMENT OF CASH FLOWS		
Cash from operating activities	26,703	55,210
Cash used by investing activities	(12,342)	(22,197)
Cash used by financing activities	(23,541)	(33,004)

41.2. Restrictions on the control of assets, liabilities and cash

None.

NOTE 42. STATUTORY AUDITORS' FEES

42.1. 2019 financial year

	Mazars				PricewaterhouseCoopers Audit			
	Amount (excl. VAT)		%		Amount (excl. VAT)		%	
In thousands of euros	Statutory Auditor	Network	Statutory Auditor	Network	Statutory Auditor	Network	Statutory Auditor	Network
Statutory auditing								
Albioma	142.1	-	56%	-	212.9	-	80%	-
Fully-consolidated subsidiaries	72.4	-	29%	-	49.4	46.3	19%	100%
Sub-total, statutory auditing	**214.5**	**-**	**85%**	**-**	**262.3**	**46.3**	**99%**	**100%**
Services other than statutory auditing[1]								
Albioma	35.9	-	14%	-	-	-	-	-
Fully-consolidated subsidiaries	1.6	-	1%	-	3.2	-	1%	-
Sub-total, services other than statutory auditing	**37.5**	**-**	**15%**	**-**	**3.2**	**-**	**1%**	**-**
Total	**252.0**	**-**	**100%**	**-**	**265.5**	**46.3**	**100%**	**100%**

1. *In 2019, services other than the statutory audit were limited to the issue of the report on employment, environmental and social information released in the Universal Registration Document (including the management report) and the issue of various statements and certificates.*

42.2. 2018 financial year

	Mazars				PricewaterhouseCoopers Audit			
	Amount (excl. VAT)		%		Amount (excl. VAT)		%	
In thousands of euros	Statutory Auditor	Network	Statutory Auditor	Network	Statutory Auditor	Network	Statutory Auditor	Network
Statutory auditing								
Albioma	139.0	-	68%	-	202.9	-	70%	-
Fully-consolidated subsidiaries	65.1	-	32%	-	48.5	50.9	17%	100%
Sub-total, statutory auditing	**204.1**	**-**	**99%**	**-**	**251.4**	**50.9**	**87%**	**100%**
Services other than statutory auditing1								
Albioma	-	-	-	-	35.0	-	12%	-
Fully-consolidated subsidiaries	1.6	-	1%	-	1.6	-	1%	-
Sub-total, services other than statutory auditing	**1.6**	**-**	**1%**	**-**	**36.6**	**-**	**13%**	**-**
Total	**205.7**	**-**	**100%**	**-**	**288.0**	**50.9**	**100%**	**100%**

1. In 2018, services other than the statutory audit were limited to the issue of the report on employment, environmental and social information released in the Registration Document (including the management report) and the issue of various statements and certificates.

NOTE 43. OTHER INFORMATION

Information on the workforce is provided in Section 1.9.3.1 of the 2019 Universal Registration Document.

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

To the Albioma General Meeting,

OPINION

In compliance with the assignment entrusted to us by your General Meeting, we have audited the Albioma consolidated financial statements for the year ended 31 December 2019, as appended to this report. These financial statements were approved by the Board of Directors on 2 March 2020 on the basis of information available at that date against the background of the developing Covid 19 pandemic.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2019 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The opinion given above is consistent with the content of our report to the Audit, Accounts and Risks Committee.

BASIS FOR OUR OPINION

Auditing standards

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are set out in the section of this report entitled «Statutory Auditors' responsibilities regarding the audit of the consolidated financial statements».

Independance

We conducted our audit, in accordance with the rules of independence that apply to us, during the period from 1 January 2019 to the date of issue of our report. In particular we did not provide any services prohibited by Article 5 (1) of Regulation (EU) no. 537/2014 or by the French Code of Ethics for Statutory Auditors.

OBSERVATION

Without qualifying the opinion expressed above, we draw your attention to Note 2.1 to the consolidated financial statements "Changes to the accounting framework in 2019", which describes the impacts of the first-time application of IFRS 16 "Leases" as from 1 January 2019.

JUSTIFICATION OF OUR ASSESSMENTS - KEY AUDIT MATTERS

In accordance with the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de Commerce*) relating to the justification of our assessments, we bring to your attention the key audit matters relating to risks of material misstatement that, in our professional judgement, were of most significance for the audit of the consolidated financial statements for the year, as well as our responses to those risks.

These assessments were made in the context of our audit of the consolidated financial statements taken as a whole, which were drawn up under the circumstances described above, and of forming our opinion expressed above. We do not provide a separate opinion on specific items included in these consolidated financial statements.

Measurement of non-current assets (including goodwill) (Notes 2.7, 2.8, 2.10 and 14, 15 and 16 to the consolidated financial statements)

Description of the risk

At 31 December 2019, non-current assets consisted of the following:

- Goodwill (€16.9 million) from acquisitions carried out;
- Intangible assets (€108.1 million), including the fair value of agreements for the delivery of electricity transferred further to the acquisition of control over entities;
- Property, plant and equipment (€1,246.1 million), mainly comprising installations for the production of electricity.

Albioma tests goodwill for impairment every year and regularly looks for indications of impairment of property, plant and equipment and intangible assets, performing an impairment test when necessary. The impairment indicators used by Albioma are described in note 2.10.

When carrying out these impairment tests, Albioma estimates the recoverable amount of the asset and records a provision for impairment if the carrying amount of that asset exceeds its recoverable amount. The recoverable amount is typically determined based on the present value of future cash flows and requires significant judgement from Management, in particular as regards the preparation of business forecasts, as well as the discount rates and long-term growth rates used. Forecasts are based mainly on economic and operational assumptions, such as the availability of installations and changes in operating costs.

Accordingly, we deemed the measurement of goodwill, property, plant and equipment and intangible assets to be a key audit matter, due to their material value in the consolidated statement of financial position and the sensitivity of the impairment indicators and assumptions underlying the measurement of the recoverable amount to Management's judgements.

Audit procedures implemented to address this risk

We conducted a critical assessment of the methods used to analyse impairment indicators and to perform impairment tests, which involved:

- Gaining an understanding of the process and controls put in place by Albioma with regards the impairment and corresponding impairment tests;
- Examining the relevance of the impairment indicators identified by Albioma and the documentation of their analysis;
- Examining the reasonableness of the assumptions used for impairment tests (earnings forecasts, growth rates, discount rates), by comparing them with past performances and by corroborating them with the applicable contractual terms and conditions and the economic and regulatory environment in which Albioma operates;
- Critically assessing tests carried out by Management on the sensitivity of the recoverable amount to material changes in the assumptions used.

We also examined the appropriateness of the disclosures provided in notes 2.10, 14, 15 and 16 to the consolidated financial statements, mainly concerning the sensitivity analysis of the recoverable amount of tested assets to changes in the main assumptions used.

SPECIFIC VERIFICATIONS

As required by professional standards applicable in France, we have also carried out the specific verifications provided for by legal and regulatory provisions with regards to the information pertaining to the Group presented in the management report of the Board of Directors approved on 2 March 2020. With respect to the events occurring and the information coming to light after the reporting date on the effects of the Covid-19 pandemic, Management informed us that an update would be presented to the General Meeting called to approve the financial statements.

We have no matters to report as to the fair presentation and consistency with the consolidated financial statements of these reports.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Albioma by the General Meeting of 18 May 2010 in the case of PricewaterhouseCoopers Audit and 27 May 2004 in the case of Mazars.

At 31 December 2019, PricewaterhouseCoopers Audit was in the tenth consecutive year of its term of office and Mazars was in its 16th year.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH CORPORATE GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit, Accounts and Risks Committee is responsible for monitoring the financial reporting process and the effectiveness of the internal control and risk management systems and, where relevant, the internal audit system, as these apply to the procedures for preparing and processing the accounting and financial information.

These consolidated financial statements have been approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Audit objectives and approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will systematically identify all material misstatements. Misstatements may result from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions that users of the financial statements make based on them.

As specified by Article L. 823-10-1 of the French Commercial Code, our responsibility is to certify the financial statements, and not to guarantee the viability or the quality of your Company's management.

As part of an audit carried out in accordance with French professional standards, the Statutory Auditors exercise professional judgement throughout the audit.

In addition, they:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether resulting from fraud or error, define and implement audit procedures to deal with those risks, and obtain audit evidence they deem sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation, or the circumvention of internal controls;
- obtain an understanding of the internal control system relevant to the audit so as to define audit procedures that are appropriate in the circumstances, and not for the purposes of expressing an opinion on the effectiveness of the internal control system;
- assess the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by Management, as well as information about them disclosed in the consolidated financial statements;
- assess the appropriateness of Management's application of the going concern accounting convention and, depending on the audit evidence obtained, whether a material uncertainty exists related to events or circumstances likely to jeopardize the company's ability to continue as a going concern. This assessment is based on the evidence obtained up to the date of the auditors' report. It should, however, be noted that subsequent circumstances or events could cause the company to cease to continue as a going concern. If they conclude that a material uncertainty exists, they will draw readers'

attention to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, they will either issue a qualified opinion on the financial statements or refuse to certify them;

- evaluate the overall presentation of the consolidated financial statements and assess whether the consolidated financial statements represent the underlying transactions and events in such a manner as to achieve fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the persons or entities within the consolidation scope to express an opinion on the consolidated financial statements. The statutory auditors are responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

REPORT TO THE AUDIT, ACCOUNTS AND RISKS COMMITTEE

We submit a report to the Audit, Accounts and Risks Committee which provides information about the scope of our audit and the work programme implemented, as well as our audit findings. We also bring to its attention, where relevant, material weaknesses in the internal control system that we identified in respect of the procedures for preparing and processing accounting and financial information.

The information provided in our report to the Audit, Accounts and Risks Committee includes the risks of material misstatement that we consider to have been the most important to the audit of the consolidated financial statements for the year under review and which therefore constitute the key audit matters, which we are required to describe in this report.

We also provide the Audit, Accounts and Risks Committee with the statement stipulated by Article 6 of Regulation (EU) 537-2014 confirming our independence, within the meaning of the rules applicable in France as specified, in particular, in Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the statutory auditors' professional code of ethics. Where relevant, we discuss with the Audit, Accounts and Risks Committee any risks to our independence and the safeguards applied.

Neuilly-sur-Seine and Courbevoie, on 29 April 2020.

The Statutory Auditors,

PricewaterhouseCoopers Audit
Jérôme Mouazan
Partner

Mazars
Daniel Escudeiro
Partner

5 COMPANY FINANCIAL STATEMENTS FOR THE 2019 FINANCIAL YEAR

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5.1. Income statement

In thousands of euros	France	Export	2019	2018
Sales of goods purchased for resale	-	-	-	-
Production sold – goods	-	-	-	-
Production sold – services	36,730	-	36,730	34,459
Net revenue	**36,730**	**-**	**36,730**	**34,459**
Production transferred to stocks				
Depreciation and provisions written back, charges transferred			5,309	214
Other income			1,097	1,130
Operating income			**43,136**	**35,804**
EXTERNAL CHARGES				
Purchases of goods for resale including excise duties			714	789
Purchases of raw materials and other consumables			2,752	4,432
Changes in stocks			-	-
Other purchases and external charges			15,727	15,486
Total external charges			**19,193**	**20,707**
TAXED, DUTIES AND SIMILAR PAYMENTS			**940**	**830**
STAFF COSTS				
Wages and salaries			12,403	9,737
Social security charges			6,558	4,845
Total staff costs			**18,961**	**14,582**
OPERATING PROVISIONS				
Depreciation and amortisation of non-current assets			727	751
Provisions on current assets			-	-
Provisions for liabilities and charges			1,935	2,433
Total operating provisions			**2,662**	**3,185**
Other operating expenses			61	-
Operating charges			**41,817**	**39,303**
Operating income			**1,319**	**(3,499)**

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In thousands of euros	2019	2018
Operating income	**1,319**	**(3,499)**
FINANCIAL INCOME		
Income from participating interests	48,411	36,070
Income from other marketable securities and receivables from non-current assets	261	683
Provisions written back and charges transferred	535	12,674
Net income on disposals of marketable securities	93	106
Total financial income	**49,300**	**49,533**
FINANCIAL EXPENSES		
Impairment of financial assets	951	11,007
Interest payable and similar expenses	3,859	3,556
Net expenses on disposals of marketable securities	16	73
Total financial expenses	**4,826**	**14,637**
Net financial income	**44,474**	**34,897**
Pre-tax profit on ordinary activities	**45,793**	**31,397**
NON-RECURRING INCOME		
On revenue transactions	-	-
On capital transactions	30,128	14,542
Provisions written back and charges transferred	-	1,072
Total non-recurring income	**30,128**	**15,614**
NON-RECURRING EXPENSES		
On revenue transactions	9	-
On capital transactions	36,211	16,933
Depreciation, amortisation and impairment	1,717	2,300
Total non-recurring expenses	**37,937**	**19,233**
Net non-recurring income/(expense)	**(7,809)**	**(3,619)**
Employee profit-sharing	294	273
Corporation tax	(1,211)	(367)
Total income	**122,563**	**100,951**
Total expenses	**83,662**	**73,079**
Net income	**38,900**	**27,872**

5.2. Statement of financial position

ASSETS

In thousands of euros	Gross	Depreciation and amortisation	Net 31/12/2019	Net 31/12/2018
INTANGIBLE ASSETS				
Concessions, patents and similar rights	758	679	79	75
Other intangible assets	73	73	-	-
Total intangible assets	**831**	**752**	**79**	**75**
PROPERTY, PLANT AND EQUIPMENT				
Land	-	-	-	-
Buildings	-	-	-	-
Technical installations, equipment and industrial tooling	547	547	-	-
Other property, plant and equipment	2,861	2,329	532	700
Property, plant and equipment in progress	424	424	-	4
Total property, plant and equipment	**3,832**	**3,300**	**532**	**705**
LONG-TERM INVESTMENTS				
Other participating interests	286,746	12,364	274,383	296,938
Loans	244	-	244	244
Other long-term investments	827	-	827	571
Total long-term investments	**287,817**	**12,364**	**275,454**	**297,753**
Non-current assets	**292,480**	**16,415**	**276,065**	**298,533**
STOCKS AND WORK-IN-PROGRESS				
Work-in-progress - goods	-	-	-	-
Goods purchased for resale	-	-	-	-
Total stocks and work-in-progress	**-**	**-**	**-**	**-**
RECEIVABLES				
Advances and payments on account of orders	429	-	429	242
Trade receivables	23,575	-	23,575	22,175
Other receivables	66,506	4,757	61,749	79,444
Total receivables	**90,510**	**4,757**	**85,753**	**101,861**
CASH, CASH EQUIVALENTS AND OTHER				
Marketable securities	13,714	-	13,714	34,142
Cash and cash equivalents	110,048	-	110,048	23,863
Prepayments	338	-	338	326
Total cash, cash equivalents and other	**124,100**	**-**	**124,100**	**58,332**
Current assets	**214,610**	**4,757**	**209,852**	**160,193**
Borrowing costs to be deferred	541	-	541	429
Total	**507,631**	**21,173**	**486,458**	**459,154**

EQUITY AND LIABILITIES

In thousands of euros			Net 31/12/2019	31/12/2018
EQUITY				
Share capital	*of which, paid:*	*1,206*	1,206	1,191
Additional paid-in capital	*of which, equity accounting reserve:*	-	55,627	48,659
Revaluation differences			3	3
Legal reserve			119	118
Statutory and contractual reserves			922	922
Regulated reserves			1	1
Other reserves			15,905	15,905
Retained earnings			98,754	90,899
Net income for the year			38,900	27,872
Total equity			**211,437**	**185,570**
Regulated provisions			**-**	**-**
Shareholders' equity			**211,437**	**185,570**
Provisions for liabilities			3,447	3,842
Provisions for charges			6,027	7,275
Provisions for liabilities and charges			**9,474**	**11,117**
FINANCIAL LIABILITIES				
Borrowings from financial institutions			103,768	137,711
Other borrowings (including current accounts with shareholders)			137,438	98,510
Total financial liabilities			**241,206**	**236,221**
OTHER LIABILITIES				
Trade payables			8,378	6,395
Tax and social security liabilities			10,270	16,791
Liabilities on non-current assets			1	6
Other liabilities			4,232	1,464
Total other liabilities			**22,881**	**24,656**
DEFERRED INCOME			**1,460**	**1,590**
Liabilities			**265,547**	**262,467**
Total			**486,458**	**459,154**

5.3. Notes to the company financial statements

NOTE 1. SIGNIFICANT EVENTS

The highlights of the period are as follows:

- Partial sale of shares in Albioma Solaire France to the Company for €30,000 thousand to allow the company to reduce the share capital;
- Vesting of 84.4% of the rights awarded under the 2016 bonus performance share plan;
- A tax inspection was carried out in respect of the 2016 and 2017 financial years;
- Signing of a new €60 million short-term facility arranged on 7 June 2019 to replace the existing €40 million facility.

NOTE 2. ACCOUNTING POLICIES AND METHODS

The financial statements are presented in accordance with French accounting principles, particularly on the basis of Regulation 2016-07 of 4 November 2016 issued by the French Accounting Standards Authority (*Autorité des Normes Comptables*), and the provisions of the French Commercial Code (*Code de Commerce*).

The annual financial statements were prepared in accordance with the following underlying assumptions:

- principle of prudence;
- going concern;
- consistency of accounting methods between financial years;
- accruals basis of accounting.

The policies applied are as follows:

2.1. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are initially recognised at their acquisition cost. They comprise fixtures and fittings, vehicles, furniture and equipment, and IT hardware and software. The straight-line method of depreciation / amortisation is used.

Non-current assets	Depreciation / amortisation period
Software	2 years
IT hardware	3 years
Other property, plant and equipment	5 years

Where applicable, an impairment provision is recognised if the value in use of intangible assets and property, plant and equipment is lower than their cost.

2.2. Long-term investments

Equity investments and other long-term investments are initially recognised at their acquisition cost.

A review of internal indicators of impairment of participating interests is performed annually on a line-by-line basis. If there is evidence of impairment, the measurements are updated and the present value of the relevant participating interest is compared with its net carrying amount. The present value is an estimate based on the market and the asset's utility for the company.

Valuation methods depend on the characteristics of participating interests, their profitability and their future prospects. The present value is initially determined on the basis of the Group's share in the recorded net assets of the investee. If said share is lower that the carrying amount of the participating interest, the present value is estimated on the basis of future cash flows.

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).

These tests are based on the following key assumptions:

- electricity selling prices, which are set contractually;
- for the photovoltaic installations, equivalent full-power hours (EFPH).

If the present value is less than the carrying amount of the receivables from participating interests and current accounts, an impairment provision is recognised to reduce the value of said assets to their present value.

In the event the investee has negative equity, a provision for liabilities is recognised. If the present value falls below the net carrying amount, an impairment loss is recognised to bring the participating interests back down to their present value.

2.3. Receivables

Receivables are measured at their par value: in the event of problems in collecting receivables, impairment provisions are made against the receivables concerned.

2.4. Current accounts and other receivables

Current accounts and other receivables are measured at their face value: in the event of problems in collecting receivables, impairment provisions are made against current accounts and receivables.

2.5. Marketable securities

Marketable securities are measured using the weighted average unit 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. 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.

2.7. Pensions and other retirement obligations

The expenses corresponding to the Company's obligations in respect of pensions and other retirement benefits have been set aside.

Furthermore, two supplementary pension plans were put in place in 2004: a defined contribution plan covering 86 employees at 31 December 2019, supplemented by a defined benefit plan for those individuals employed by the Company prior to 1 January 1983.

Expenses relating to defined contribution plans are expensed in the year in which they are incurred.

Expenses relating to the lump-sum retirement payment plan and supplementary defined benefit plan are set aside 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.

2.8. Tax consolidation

On 31 March 2005 and 22 April 2009 respectively, Albioma and its subsidiaries Albioma Bois-Rouge and Albioma Le Moule entered into 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.

Additional changes in Albioma's consolidation scope were the following:

Company	Consolidation date	Deconsolidation date
Albioma Solaire Pierrelatte	01/01/2011	31/12/2013
Albioma Solaire Fabrègues	01/01/2011	n/a
Éoliennes de la Porte de France	01/01/2011	31/12/2012
Albioma Solaire Guyane	01/01/2014	n/a
Albioma Solaire Réunion	01/01/2018	n/a
Albioma Solaire France	01/01/2019	n/a
Albioma Solar Assets France 1	01/01/2019	n/a

NOTE 3. STATEMENT OF FINANCIAL POSITION - ASSETS

3.1. Non-current assets

Intangible assets

In thousands of euros	31/12/2018	Increases	Decreases	Transfers	31/12/2019
Concessions and similar rights, patents, licences, brands, processes, software, rights	624	134	-	-	758
Other intangible assets	73	-	-	-	73
Gross amount	**697**	**134**	**-**	**-**	**831**
Concessions and similar rights, patents, licences, brands, processes, software, rights	548	130	-	-	679
Other intangible assets	73	-	-	-	73
Amortisation and impairment	**622**	**130**	**-**	**-**	**752**
Concessions and similar rights, patents, licences, brands, processes, software, rights	75	-	-	-	79
Other intangible assets	-	-	-	-	-
Net amount	**75**				**79**

Property, plant and equipment

In thousands of euros	31/12/2018	Augmentations	Diminutions	Transferts	31/12/2019
Technical installations, equipment and industrial tooling	547	-	-	-	547
General installations, fixtures and fittings	605	28	-	-	633
Vehicles	530	-	-	-	530
Office equipment and IT hardware, furniture	1,583	115	-	-	1,698
Property, plant and equipment in progress	428	-	4	-	424
Gross amount	**3,693**	**143**	**4**	**-**	**3,832**
Technical installations, equipment and industrial tooling	547	-	-	-	547
General installations, fixtures and fittings	588	18	-	-	606
Vehicles	178	103	-	-	281
Office equipment and IT hardware, furniture	1,252	190	-	-	1,442
Property, plant and equipment in progress		-	-	-	-
Impairment of property, plant and equipment	424	-	-	-	424
Depreciation and impairment	**2,988**	**312**	**-**	**-**	**3,300**
Technical installations, equipment and industrial tooling	-				-
General installations, fixtures and fittings	16				27
Vehicles	352				249
Office equipment and IT hardware, furniture	332				256
Property, plant and equipment in progress	4				-
Net amount	**705**				**532**

Long-term investments

Equity investments

In thousands of euros	31/12/2018	Increases	Decreases	31/12/2019
Non-group participating interests	19	-	-	19
Group participating interests	308,529	8,208	30,010	286,727
Gross amount	**308,548**	**8,208**	**30,010**	**286,746**
Non-group participating interests	-	-	-	-
Group participating interests	11,610	774	20	12,364
Impairment	**11,610**	**774**	**20**	**12,364**
Non-group participating interests	19	-	-	19
Group participating interests	296,919	-	-	274,364
Net amount	**296,938**	**-**	**-**	**274,383**

The increase in participating interests relates to:

- Albioma Saint-Pierre increasing its share capital from €40 thousand to €15,040 thousand;
- Albioma Énergipole Solaire increasing its share capital from €150 thousand to €1,264 thousand;
- the incorporation of a new company, Albioma Solaire, wholly-owned by Albioma with a share capital of €1 thousand.

The reduction in participating interests was due to the €30,010 thousand reduction in the share capital of Albioma Solaire France.

Most (€11,727 thousand) of the impairment loss on securities as at 31 December 2019 related to the investment in Brazil.

Other long-term investments

In thousands of euros	31/12/2018	Increases	Decreases	31/12/2019
Long-term loans	244	-	-	244
Deposits & guarantees paid	571	257	1	827
Gross amount	**815**	**257**	**1**	**1,071**
Long-term loans	-	-	-	-
Deposits & guarantees paid	-	-	-	-
Impairment	**-**	**-**	**-**	**-**
Long-term loans	244	-	-	244
Deposits & guarantees paid	571	-	-	827
Net amount	**815**	**-**	**-**	**1,071**

3.2. Current assets

Trade receivables

In thousands of euros	31/12/2019	31/12/2018	Change in thousands of euros
Trade receivables	**15,294**	**14,692**	**601**
Group	14,607	13,997	610
Non-Group	686	695	(9)
Invoices to be raised	**8,281**	**7,483**	**798**
Group	8,281	7,453	828
Non-Group	-	30	(30)
Trade receivables	**23,575**	**22,175**	**1,400**

Other receivables

In thousands of euros	31/12/2019	31/12/2018	Variation
Employees – Advances and payments on account	71	-	71
VAT accounts receivable	373	506	(132)
VAT deductible on non-current assets	-	2	(2)
Accounts receivable from the State	5,017	-	5,017
Income accounts receivable	1,579	1,068	510
Current accounts	58,480	76,231	(17,751)
Tax consolidation current accounts	850	6,302	(5,452)
Receivables due from employee welfare bodies	135	35	100
Impairment of current accounts	(4,757)	(4,700)	(58)
Total	**61,749**	**79,444**	**(17,695)**

The change in the current account balances was related to the support given by Albioma to its subsidiaries which own the construction projects.

Accounts receivable from the State relates to the corporation tax pending repayment.

Marketable securities

At 31 December 2019, the marketable securities item stood at €13,714 thousand.

It consisted of €6,623 thousand in term investments and €7,091 thousand in treasury shares.

Prepayments and accrued income

Prepayments, of €338 thousand, related primarily to insurance and subscriptions.

Borrowing costs stood at €541 thousand at 31 December 2019. These costs are recognised to profit or loss over the terms of the loans to which they relate.

NOTE 4. LIABILITIES AND EQUITY

4.1. Equity

In thousands of euros	31/12/2018	Increases	Decreases	Appropriation of 2018 net income (in euros)	31/12/2019
Share capital	1,191	-	-	15,011	1,206
Additional paid-in capital	48,659	-	-	6,967,901	55,627
Revaluation differences	3	-	-	-	3
Legal reserve	118	-	-	1,192	119
Statutory reserves - Contractual	922	-	-	-	922
Regulated reserves	1	-	-	-	1
Other reserves	15,905	-	-	-	15,905
Retained earnings	90,899	-	-	7,855,159	98,754
Net income for the year	27,872	38,900	-	(27,872,190)	38,900
Dividends paid in cash	-	-	-	13,032,926	-
Total equity	**185,570**	**38,900**	**-**	**-**	**211,437**
Regulated provisions	-	-	-	-	-
Total shareholders' equity	**185,570**	**38,900**	**-**	**-**	**211,437**

Share capital

At 31 December 2019, the share capital consisted of 31,320,533 shares with a par value of €0.0385 per share, fully paid-up with 5.98% owned by COFEPP, 5.94% by Impala SAS, and 84.09% by various shareholders on the market.

At this same date, the Company held 434,164 of its own shares (representing 1.39% of the share capital and stripped of voting rights), all of which were purchased on the market (428,444 of which were acquired to provide shares for bonus performance share plans).

Appropriation of 2018 net income

In accordance with the decisions of the 27 May 2019 General Meeting, the net income for 2018 was appropriated as follows:

In thousands of euros	
Transfer to the legal reserve	1
Dividends paid	20,024
Retained earnings	7,847

The General Meeting set the amount of the 2018 dividend at €0.65 per share and resolved to grant each shareholder an option for the payment of 50% of the dividend, i.e. €0.325 per share, in new shares, the remainder having been paid in cash.

€13,033 thousand was settled in cash and €6,983 thousand in shares; 389,889 new shares were issued at a unit price of €17.91.

Net income for the year

In thousands of euros	
Operating income	1,319
Net financial income	44,474
Net non-recurring income/(expense)	(7,809)
Profit-sharing	(294)
Tax	1,211
Total	**38,900**

4.2. Provisions for liabilities and charges

In thousands of euros	31/12/2018	Charge	Reversals – used	Reversals – unused	31/12/2019
Provisions for liabilities	3,842	120	-	515	3,447
Provisions for liabilities	**3,842**	**120**	**-**	**515**	**3,447**
Provisions for lump-sum retirement benefits	2,077	374	-	-	2,450
Other provisions for charges	5,198	3,278	4,900	-	3,577
Provisions for charges	**7,275**	**3,652**	**4,900**	**-**	**6,027**
Of which operating	7,275	1,935	4,900	-	4,310
Of which financial	3,842	120	-	515	3,447
Of which non-recurring	-	1,717	-	-	1,717
Total provisions for liabilities and charges	**11,117**	**3,772**	**4,900**	**515**	**9,474**

Provisions for liabilities

Provisions for liabilities, which essentially cover the risks relating to disputes, litigation or participating interests, went from €3,842 thousand at 31 December 2018 to €3,447 thousand at 31 December 2019.

Provisions for charges

Lump-sum retirement payments

At 31 December 2019, lump-sum retirement benefits represented €2,450 thousand.

These charges relate to 100 individuals and are based on the collective agreement applied to Company employees. The main assumptions used are as follows:

- life expectancy table: INSEE table;
- staff turnover: 2.5% for employees under 46 years of age, and no turnover for employees over 46 years of age;
- increase in wages and salaries of 3% per annum;
- discount rate of 0.8%.

Other provisions for charges

This item represents, in particular, the provision recorded following Albioma's buyback of 428,444 of its own shares (purchases made in the 2015, 2016 and 2018 financial years) to partly cover the servicing of the bonus performance share plans adopted by the General Meeting of 30 May 2018.

4.3. Liabilities

Borrowings from financial institutions

Albioma carried out the private placement of a "Euro PP" bond issue totalling €80 million and maturing in December 2020 (bullet redemption) with an annual coupon of 3.85%.

Albioma was granted a €15 million credit facility by My Partner Bank (previously called Banque Espírito Santo et de la Vénétie) from 26 June 2017 to 26 June 2021. The amounts used bear interest at a variable rate based on the 3-month Euribor plus a spread of 1.65% per annum. This facility had not been drawn down at 31 December 2019.

Albioma arranged a new short-term bank facility in the form of a €60 million five-year (which may be extended to seven years) confirmed revolving credit facility at the Euribor variable interest rate (floor at zero) plus a spread of 1% to replace the similar former €40 million facility that was maturing. €10 million had been drawn down under this facility at 31 December 2019.

A €5 million revolving credit facility was also arranged and drawn down in 2019 from Bpifrance Financement, based on the Euribor rate (floor at zero) plus an aggregate spread of 0.86% maturing on 31 October 2022.

The Company also arranged and drew down in 2019 €5 million from Bpifrance Financement at the fixed rate of 0.87% maturing on 31 December 2026.

At 31 December 2019, borrowing costs to be deferred totalled €541 thousand.

Collateral

None.

Compliance with ratios within Albioma

- *Interest cover ratio (cash EBIT/interest)* > 2.50
- *Gearing ratio (net debt/equity)* < 1.50

These covenants were met at 31 December 2019.

Drawdowns

The following table provides a breakdown of the amounts drawn down at 31 December 2019:

In thousands of euros	
Euro PP	80,000
Revolving credit facility	10,000
Bpifrance Financement	13,500

Interest-rate hedging

Not applicable (main corporate debt is at a fixed rate).

Other borrowings

This item consists mainly of current accounts with shareholders.

Trade payables

Trade payables amounted to €8,378 thousand at 31 December 2019, including €6,578 thousand from invoices not yet received. All of these liabilities are due within one year.

Tax and social security liabilities

Tax and social security liabilities break down as follows:

In thousands of euros	31/12/2019	31/12/2018	Change in thousands of euros
Tax liabilities	1,284	8,174	(6,889)
Social security/employee-related liabilities	5,379	4,428	951
Social security/employee welfare body liabilities	3,606	4,190	(583)
Total	**10,270**	**16,791**	**(6,521)**

The reduction in tax liabilities was due to the inclusion of additional companies in the Group's tax consolidation scope and the weaker results of certain companies consolidated for tax purposes.

Liabilities on non-current assets

At 31 December 2019, amounts due to suppliers of non-current assets totalled €1 thousand. All of these liabilities are due within one year.

Other liabilities

In thousands of euros	31/12/2019	31/12/2018	Change in thousands of euros
Other creditors	41	30	10
Tax consolidation current accounts	3,118	82	3,036
Accrued expenses	1,073	1,352	(279)
Dividends payable	-	-	-
Total other liabilities	**4,232**	**1,464**	**2,768**

Deferred income

Deferred income, amounting to €1,460 thousand, related to billing for services performed after 31 December 2019 or accrued income relating to future periods.

NOTE 5. INCOME STATEMENT

5.1. Revenue

Revenue amounted to €36,730 thousand at 31 December 2019 and comprised:

In thousands of euros	31/12/2019	31/12/2018	Change in thousands of euros
Sales of goods purchased for resale	-	-	-
Production sold – goods	-	-	-
Production sold – services	36,730	34,459	2,270
Revenue	**36,730**	**34,459**	**2,270**

5.2. Net financial income (expense)

Net financial income breaks down as follows:

In thousands of euros	31/12/2019	31/12/2018	Change in thousands of euros
Interest and financial charges	3,859	3,556	303
Net expenses on disposals of marketable securities	16	73	(58)
Provisions for financial liabilities and charges	893	11,007	(10,114)
Impairment of financial assets	58	-	58
Financial expenses	**4,826**	**14,637**	**(9,811)**
Income from participating interests	48,411	36,070	12,340
Other financial income	261	683	(422)
Provisions for financial liabilities and charges written back	515	1,300	(785)
Provisions written back and charges transferred	20	11,374	(11,354)
Net income on disposals of marketable securities	93	106	(13)
Financial income	**49,300**	**49,533**	**(234)**
Net financial income	**44,474**	**34,897**	**9,577**

5.3. Net non-recurring income/(expense)

Net non-recurring income/(expense) breaks down as follows:

In thousands of euros	31/12/2019	31/12/2018	Change in thousands of euros
Penalties and tax fines	9	-	9
Net book value of transferred assets - Financial	30,010	16,393	13,617
Other non-recurring expenses	6,201	540	5,661
Provisions for non-recurring liabilities and charges	1,717	2,300	(583)
Non-recurring expenses	**37,937**	**19,233**	**18,704**
Proceeds from the sale of transferred assets - Financial	30,128	12,576	17,552
Other non-recurring income	-	1,966	(1,966)
Reversals of provisions for non-recurring liabilities and charges	-	1,072	(1,072)
Non-recurring income	**30,128**	**15,614**	**14,514**
Net non-recurring income/(expense)	**(7,809)**	**(3,619)**	**(4,190)**

The main components of non-recurring income/(expense) are:

- income and expenses related to the disposal of equity investments (see explanations in Note 1 to the company financial statements);
- Expenses relating to the vesting of the shares awarded under the 2016 bonus performance share plan.

5.4. Tax

The scope of tax consolidation at 31 December 2019 included Albioma and its subsidiaries Albioma Bois-Rouge and Albioma Le Moule, in accordance with the tax consolidation agreements signed on 31 March 2005 and 22 April 2009 respectively, Albioma Solaire Fabrègues, which was added to the scope on 1 January 2011, Albioma Solaire Guyane, which was added to the scope on 1 January 2014, Albioma Solaire Réunion, which was added to the scope on 1 January 2018, and Albioma Solaire France and Albioma Solar Assets France 1, which were added to the scope on 1 January 2019).

At 31 December 2019, for the Company, the head of the tax group, these agreements resulted in a tax credit of €1,281 thousand, corresponding to the tax saving stemming from the tax consolidation.

Albioma also recognised in expenses €16,590 thousand in respect of tax, corresponding to the Group's taxable profit.

The tax rate was 28% up to €500 thousand, then 33$^{1/3}$% plus the additional contribution of 3.3% on the tax in excess of €763,000.

NOTE 6. HEADCOUNT

At 31 December 2019, Albioma employed a total of 105 staff (including one corporate officer) compared with 90 (including two corporate officers) at 31 December 2018.

NOTE 7. REMUNERATION OF THE ADMINISTRATIVE AND EXECUTIVE BODIES

Gross remuneration paid by the Company in 2019 to corporate officers totalled €619 thousand, compared with €679 thousand at 31 December 2018.

Corporate officers do not benefit from a specific plan for post-employment benefits.

A charge of €190 thousand was also recognised in 2019 in respect of attendance fees allocated to members of the Board of Directors.

NOTE 8. SHARE SUBSCRIPTION AND PURCHASE OPTION AND BONUS PERFORMANCE SHARE PLANS

8.1. Description of the plans in operation at 31 December 2019

	2019 performance share plan	2018 performance share plan	2016 performance share plan (managers and administrative staff - France and Brazil)
Total number of options and shares originally authorised	**305,420**	**309,600**	**518,382**
Rights awarded during the period	-	-	518,382
Rights cancelled during the period	-	-	(17,995)
Vesting during the period	-	-	-
Number of instruments outstanding at 31/12/2016	**-**	**-**	**500,387**
Rights awarded during the period	-	-	-
Rights cancelled during the period	-	-	(43,696)
Vesting during the period	-	-	-
Number of instruments outstanding at 31/12/2017	**-**	**-**	**456,691**
Rights awarded during the period	-	309,600	-
Rights cancelled during the period	-	(13,500)	(2,952)
Vesting during the period	-	-	-
Number of instruments outstanding at 31/12/2018	**-**	**296,100**	**453,739**
Rights awarded during the period	305,420	-	-
Rights cancelled during the period	(11,020)	(13,760)	(70,960)
Vesting during the period	-	-	(382,779)
Number of instruments outstanding at 31/12/2019	**294,400**	**282,340**	**-**

8.2. Bonus performance share plans adopted by the General Meeting of 24 May 2016

"2016 managers and administrative staff" and "2016 Brazil" bonus performance share plans

Performance conditions

The awards are divided up into three tranches, and each tranche covers one third of the shares awarded. Different performance conditions must be met to trigger the vesting of each tranche. These performance conditions are based on the growth in consolidated EBITDA during the 2018 financial year compared with the consolidated EBITDA for the 2015 financial year, on the growth in consolidated earnings per share for the 2018 financial year compared with the consolidated earnings per share for the 2015 financial year and on the change in the Albioma share price, calculated with net dividends reinvested (based on the average share price over 120 days) between 24 May 2016 and 24 May 2019 compared with the movement in the CAC Small Net Return (CACSN) index over the same period.

Lock-in commitment

Shares that have vested are not subject to any lock-in commitment, the corporate officers being however subject to the obligation to retain as registered shares 25% of the shares vesting until they stand down from office.

Status of the plan at 31 December 2019

The performance levels resulted in the vesting, on 24 May 2019 and 26 July 2019, of 382,779 shares in light of the continued service of the relevant beneficiaries at these dates.

8.3. Bonus performance share plans adopted by the General Meeting of 30 May 2018

2018 bonus performance share plan

Performance conditions

The awards are divided up into four tranches, and each tranche covers 25% of the shares awarded. Different performance conditions must be met to trigger the vesting of each tranche. These performance conditions are based on the growth in consolidated EBITDA during the 2020 financial year compared with the consolidated EBITDA for the 2017 financial year, on the growth in consolidated earnings per share for the 2020 financial year compared with the consolidated earnings per share for the 2017 financial year and on the change in the Albioma share price, calculated with net dividends reinvested (based on the average share price over 120 days) between 1 January 2018 and 31 December 2020 compared with the movement in the CAC Small Net Return (CACSN) index over the same period, and on the increase between 2017 and 2020 in the proportion of the Group's total energy production that corresponds to renewable energies.

Lock-in commitment

Shares that have vested are subject to a one-year lock-in obligation, notwithstanding the obligation on corporate officers to retain as registered shares 25% of the shares vesting until they stand down from office.

Status of the plan at 31 December 2019

Plan currently in operation.

2019 bonus performance share plan

Performance conditions

The awards are divided up into four tranches, and each tranche covers 25% of the shares awarded. Different performance conditions must be met to trigger the vesting of each tranche. These performance conditions are based on the growth in consolidated EBITDA during the 2021 financial year compared with the consolidated EBITDA for the 2018 financial year, on the growth in consolidated earnings per share for the 2021 financial year compared with the consolidated earnings per share for the 2018 financial year and on the change in the Albioma share price, calculated with net dividends reinvested (based on the average share price over 120 days) between 1 January 2019 and 31 December 2021 compared with the movement in the CAC Small Net Return (CACSN) index over the same period, and on the increase between 2018 and 2021 in the proportion of the Group's total energy production that corresponds to renewable energies.

Lock-in commitment

Shares that have vested are subject to a one-year lock-in obligation, notwithstanding the obligation on corporate officers to retain as registered shares 25% of the shares vesting until they stand down from office.

Status of the plan at 31 December 2019

Plan currently in operation.

8.4. Amounts recognised as expenses

	2019 performance share plan	2018 performance share plan	2016 performance share plan (managers and administrative staff - France and Brazil)
2019	**814**	**1,184**	**372**
2018	-	408	2,100
2017	-	-	2,963
2016	-	-	896

NOTE 9. REDEEMABLE SHARE SUBSCRIPTION AND/OR PURCHASE WARRANTS ("BSAAR WARRANTS")

Acting upon the authority granted to it by the General Meeting of 30 May 2018, the Board of Directors, at its meeting of 8 November 2018, decided to issue a maximum of 1,071,731 redeemable share subscription and/or purchase warrants ("BSAAR Warrants"), with the waiver of the preferential subscription rights of shareholders, in favour of 43 eligible individuals chosen from among the employees and executive corporate officers of the Company and its subsidiaries (including the Chief Executive Officer of the Company).

The main aim of the issue was to involve the Group's key managers in the Group's medium-term growth and performance. The offering responds to these managers' wish to invest indirectly, without any contribution from the Company, a considerable proportion of their personal savings in Albioma shares in order to support the roll-out of the Company strategy via a financial product enabling optimal alignment of the interests of the Group's senior managers with those of its shareholders.

The transaction resulted in the issue of 1,071,731 BSAAR warrants of €0.90 each (giving issue proceeds of €964,557.90), allocated to 31 subscribers. The Company's Board of Directors appointed Accuracy as appraiser, commissioned to give an independent opinion on the unit issue price of the BSAAR warrants. Accuracy considered the issue price to be reasonable, stating: "*The estimated value of each BSAAR warrant ranges from €0.62 to €1.16. On this basis, the price of €0.90 considered by the Company for the issue of the BSAAR warrants seems reasonable to us*." Accuracy's full report on its appraisal of the BSAAR warrants can be found on the Company's website (www.albioma.com).

The BSAAR warrants entitle their holders to subscribe for new shares and/or purchase existing Albioma shares; the Company may, at its discretion, allot new shares or existing shares or a combination of new and existing shares. A request will be made to admit the BSAAR warrants for trading on the Euronext Growth market. This request will be made no sooner than 6 December 2021 (save exceptions), the date from which the BSAAR warrants may be exercised. Until their admission for trading, the BSAAR warrants may neither be transferred nor exercised (save exceptions). Subject to the applicable adjustment rules, one BSAAR warrant will entitle its holder, at the Company's discretion, to subscribe for a new or existing share, in consideration for payment of the exercise price. Said price was set at €20.90, i.e. a price equal to 120% of the average closing prices quoted for the Company's shares over a period of 20 consecutive trading days preceding 8 November 2018. The BSAAR warrants may be exercised at any time as from their admission for trading on the Euronext Growth market, scheduled for 6 December 2021, until 4 December 2024, subject to the Board of Directors' right to temporarily suspend the exercise period. After 4 December 2024, the BSAAR warrants shall automatically lapse and, consequently, may not be exercised by their holders.

The maximum number of shares that could result from the exercise of the warrants (in the event that all the BSAAR warrants are exercised and that all the shares allotted upon exercise of the BSAAR warrants are new shares, without adjustments) is 1,071,731, representing approximately 3.42% of the Company's capital at 31 December 2019, and 3.32% of the Company's capital post exercise of the BSAAR warrants. In this case, the capital increase carried out would have a par value of €41,261.6435. Exercise of all the BSAAR warrants would generate issue proceeds of up to €22,399,177.90.

The terms and conditions of the BSAAR warrants thus issued are available on the Company's website (www.albioma.com). Since the offer did not require the drawing up of a prospectus subject to the approval of the AMF (*Autorité des Marchés Financiers* - French Financial Markets Authority), its launch resulted, pursuant to the applicable legal and regulatory provisions, in the publication of a press release on 8 November 2018, which is available on the Company's website (www.albioma.com).

NOTE 10. OFF-BALANCE SHEET COMMITMENTS

In thousands of euros	2019	2018
OFF-BALANCE SHEET COMMITMENTS GIVEN		
Garantees given to suppliers	15,856	13,954
Joint and several loan repayment guarantees	46,415	72,103
Option to repurchase shares held by non-controlling interests	-	-
Sundry commitments	2,223	2,196
Liabilities guarantees	-	-
Total off-balance sheet commitments given	**64,493**	**88,252**
OFF-BALANCE SHEET COMMITMENTS RECEIVED		
Shareholder's counter-guarantees - operating activities	-	-
Shareholder's counter-guarantees - repayment of borrowings	-	21,791
Credit facilities granted but not utilised	15,000	2,000
Liabilities guarantees	6,954	6,954
Total off-balance sheet commitments received	**21,954**	**30,745**

10.1. Off-balance sheet commitments given

Guarantees given to suppliers

This commitment concerns payment guarantees given to suppliers in connection with supply agreements entered into by the subsidiaries.

Joint and several loan repayment guarantees

This commitment concerns parent company guarantees in the form of joint and several guarantees for the repayment of borrowings due to banks on behalf of:

- the Company's subsidiaries Albioma Rio Pardo Termoelétrica and Albioma Codora Energia in Brazil;
- the subsidiary Albioma Saint-Pierre;
- the photovoltaic subsidiaries Albioma Solaire Réunion and Albioma Énergipole Solaire.

Sundry guarantees

The change compared with 2018 is due to i) the assessment issued by the French customs department to Albioma Le Gol, which is challenging the amount of the TICFE levy (end-user levy on electricity consumption), and Albioma Bois-Rouge, the amount of the TICFE levy, VAT (Value Added Tax) and unpaid tax, and ii) the end of the guarantee given to the French customs department for the amount of the "octroi de mer régional" tax due on tranche 3 of Albioma Le Moule.

It should be noted that, in connection with certain project financing transactions, the Company has pledged securities 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 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%
Albioma Saint-Pierre	18/07/2016	31/10/2040	40	7,670	1%	2,040	100%
Albioma Solaire Réunion	15/05/2018	30/06/2039	50	50	100%	50	100%
Albioma Énergipole Solaire	15/03/2018	30/06/2038	75	632	12%	500	50%

10.2. Off-balance sheet commitments received

Shareholders' counter-guarantee - operating activities

The shareholders' counter-guarantee in respect of the capital expenditure on the Galion 2 thermal power plant came to an end on 31 December 2018.

Shareholders' counter-guarantee - loan repayment

The shareholders' counter-guarantee ended upon commissioning of the Saint-Pierre combustion turbine in February 2019.

Credit facilities granted

Albioma received commitments for the financing of projects and operations which represented €15 million, not drawn down at 31 December 2019.

Liabilities guarantee received

A liabilities guarantee for a maximum amount of €6.9 million with a three-year maturity was received following the acquisition of Eneco France on 11 December 2018.

NOTE 11. FINANCIAL DERIVATIVES

None.

NOTE 12. TRANSACTIONS WITH RELATED PARTIES

In thousands of euros	2019	2018
STATEMENT OF FINANCIAL POSITION		
Trade receivables	22,888	21,450
Accrued expenses	901	1,143
Subsidiaries' current accounts – debit and tax consolidation	59,330	82,533
Accrued income	61	100
Subsidiaries' current accounts – credit and tax consolidation	140,513	98,467
Trade payables	994	711
INCOME STATEMENT		
Sales of photovoltaic plants, equipment and services	31,415	27,343
Recharging of seconded employees	1,145	724
Other amounts recharged	4,170	6,392
Interest on subsidiaries' current accounts	(33)	(38)
Interest on subsidiaries' current accounts	137	283
Income from participating interests	48,411	36,070

Transactions with related parties are entered into on an arm's length basis.

NOTE 13. ACCRUED INCOME AND ACCRUED EXPENSES

In thousands of euros	2019
ACCRUED INCOME	
Customer invoices to be raised	8,281
Value added tax on invoices not yet received	123
Provisions for accrued income	1,579
ACCRUED EXPENSES	
Suppliers' invoices not yet received	6,578
Amounts due to employees	5,279
Accrued social security charges	2,327
Value added tax on invoices to be raised	157
Amounts due to the State	276
Provisions for accrued expenses:	1,073
Accrued interest on borrowings	255

NOTE 14. CONSOLIDATION

Albioma is the parent company of Albioma Group, whose consolidated financial statements are drawn up in accordance with the International Financial Reporting Standards (IFRS).

NOTE 15. BREAKDOWN OF CORPORATION TAX BETWEEN CURRENT PROFIT OR LOSS AND NON-RECURRING PROFIT OR LOSS

In thousands of euros	Taxable base	Corporation tax
Current profit or loss before tax	(662)	(126)
Non-recurring profit or loss before tax	(6,083)	(1,155)
Total	**(6,745)**	**(1,281)**

NOTE 16. INCREASES AND DECREASES IN THE FUTURE TAX LIABILITY

In thousands of euros	Base amount	Increases and decreases in the future tax liability
INCREASES	-	-
DECREASES		
Company social solidarity contribution	173	33
Profit-sharing	294	56
Unrealised capital gain	-	-

NOTE 17. EVENTS AFTER THE REPORTING DATE

As of the reporting date of the parent company financial statements, the Company had not identified any material events which arose after the reporting period.

NOTE 18. MATURITIES OF RECEIVABLES AND LIABILITIES

18.1. Receivables

In thousands of euros	Gross amount	Due within 1 year	Due in more than 1 year
NON-CURRENT ASSETS			
Receivables from participating interests	-	-	-
Loans	244	-	244
Other long-term investments	827	-	827
CURRENT ASSETS			
Trade receivables	23,575	23,575	-
Employee-related receivables	71	71	-
Social security and other employee welfare bodies	135	135	-
Corporation tax	5,017	5,017	-
Value added tax	373	373	-
Other taxes and duties	-	-	-
Group and shareholders	59,330	59,330	-
Sundry accounts receivable	1,579	1,579	-
Accrued income	-	-	-
Prepayments	338	338	-
Total	**91,489**	**90,419**	**1,071**

18.2. Liabilities

In thousands of euros	Gross amount	Due within 1 year	Due between 1 and 5 years	Due in more than 5 years
Bond issues	-	-	-	-
Borrowings from financial institutions				
Within maximum of 2 years at inception	268	268	-	-
Within more than 2 years at inception	103,500	92,935	8,833	2,000
Sundry borrowings and financial liabilities	43	43	-	-
Trade payables	8,378	8,378	-	-
Employee-related receivables	5,379	5,379	-	-
Social security and other employee welfare bodies	3,606	3,606	-	-
State and other public authorities				
Corporation tax	-	-	-	-
Value added tax	911	911	-	-
Other taxes and duties	374	374	-	-
Liabilities on non-current assets	1	1	-	-
Group and shareholders	137,395	137,395	-	-
Other liabilities	4,232	4,232	-	-
Accrued expenses	-	-	-	-
Deferred income	1,460	1,460	-	-
Total	**265,547**	**254,982**	**8,833**	**2,000**

NOTE 19. LIST OF SUBSIDIARIES AND PARTICIPATING INTERESTS

In euros (unless stated otherwise)	Share capital	Other equity	Number of shares held	% of capital held
Biomasse de Martinique Centre d'Affaires de Californie Immeuble Coralie – 8 lotissement La Trompeuse 97232 Lamentin (Martinique)	7,500	N/A	2,475	33.00%
Albioma Participações do Brasil Rua Gomes de Carvalho 1069, 13° andar, conjuntos 131 e 132 Condominio Edifficio Advances Tower, Jardim Paulista CEP 04547-004 São Paulo - SP (Brésil)	250,000,000 BRL (paid-up share as at 31/12/2019: BRL 242,247,393)	(2,052,955) BRL	249,999,999	99.99 %
Albioma Galion Usine du Galion 97220 La Trinité (Martinique)	17,040,000	44,311,650	13,632,000	80.00%
Compagnie Industrielle Cendres et Mâchefers 7 rue Patrice Lumumba ZAC Ravine à Marquet 97419 La Possession (La Réunion)	887,400	1,537,768	1,971	33.98%
Albioma Bois-Rouge 2 chemin de Bois-Rouge, Cambuston 97440 Saint-André (La Réunion)	18,826,302	51,987,709	1,235,000	100.00%
Albioma Services Réseaux Tour Opus 12 77 esplanade du Général de Gaulle 92081 Paris La Défense Cedex	6,000	(6,992)	6,000	100.00%
Terragen Beau Plan Business Park Pamplemousses 21001 (Île Maurice)	520,523,500 MUR	1,026,038,480 MUR	14,054,134	27.00%
Terragen Management Beau Plan Business Park Pamplemousses 21001 (Île Maurice)	100,000 MUR	1,390,496 MUR	2,825	28.25%
Omnicane Thermal Energy Operations Saint-Aubin Omnicane House Mon Trésor Business Gateway, New Airport Access Road Plaine Magnien (Île Maurice)	255,000,000 MUR	345,076,217 MUR	573,750	22.50%
Omnicane Thermal Energy Operations La Baraque Omnicane House Mon Trésor Business Gateway, New Airport Access Road Plaine Magnien (Île Maurice)	761,000,000 MUR	771,997,039 MUR	1,902,500	25.00%
Albioma Le Gol Le Gol, 1 route Nationale 97450 Saint-Louis (La Réunion)	13,354,534	102,977,465	566,045	64.62%
Albioma Le Moule Gardel 97160 Le Moule (Guadeloupe)	37,103,916	45,900,051	1 468 000	100.00%
Albioma Énergipole Solaire Tour Opus 12 7 esplanade du Général de Gaulle 92081 Paris La Défense Cedex	1,263,600	183,357	4,212	50.00%
Marie-Galante Energie Usine de Grande Anse 97112 Grand-Bourg (Guadeloupe)	150,000	(33,929)	9,750	65.00%

Carrying amount of the shares						
Gross	**Provision**	**Net**	**Shareholder advances, loans and current accounts**	**Dividend received in 2019**	**Revenue (excl. tax) for the last financial year**	**Net income for the last financial year**
2,475	2,475	-	309,000	-	-	N/A
66,635,000 (paid-up share as at 31/12/2019)	11,001,608	55,633,392	-	-	5,195,025 BRL	740,143 BRL
13,632,000	-	13,632,000	23,088,477	-	90,845,861	7,185,309
312,260	-	312,260	-	101,948	9,153,500	621,989
63,365,942	-	63,365,942	(24,900,758)	9,262,500	119,024,248	16,336,132
6,000	-	6,000	-	-	-	(2,930)
5,392,972	-	5,392,972	-	1,202,290	1,313,167,718 MUR	145,867,402 MUR
2,400	-	2,400	-	-	49,669,566 MUR	- MUR
1,885,803	-	1,885,803	-	450,000	834,854,015 MUR	75,927,887 MUR
4,868,018	-	4,868,018	-	1,689,840	2,121,880,681 MUR	267,492,686 MUR
28,054,763	-	28,054,763	(22,079,926)	12,430,326	133,197,468	14,928,129
52,814,642	-	52,814,642	(54,235,059)	10,564,289	120,093,430	10,365,167
631,800	-	631,800	109,740	-	425,317	95,570
97,500	97,500	-	1,253,000	-	-	(3,795)

In euros (unless stated otherwise)	Share capital	Other equity	Number of shares held	% of capital held
Albioma Solaire Antilles 16 rue des Artisans, ZAC du Bac 97220 La Trinité (Martinique)	10,185,000	1,089,933	814,800	80.00%
Albioma Guyane Énergie Lieu-dit Savane Aubanèle, pk 9 route du Degrad Saramaca 97310 Kourou (Guyane)	40,000	(86,761)	4,000	100.00 %
Albioma Solaire Fabrègues Tour Opus 12 77 esplanade du Général de Gaulle 92081 Paris La Défense Cedex	40,000	252,014	4,000	100.00%
Albioma Solaire Guyane Lieu-dit Savane Aubanèle, pk 9 route du Degrad Saramaca 97310 Kourou (Guyane)	40,000	1,807,942	4,000	100.00%
Albioma Solaire Habitat 16 rue des Artisans, ZAC du Bac 97220 La Trinité (Martinique)	4,370,000	370,661	349,600	80.00%
Quantum Energia Italia Piazzale Biancamano n°8 20121 Milano (Italie)	110,000	(347,507)	-	100.00%
Albioma Solaire Lassalle 16 rue des Artisans, ZAC du Bac 97220 La Trinité (Martinique)	40,000	3,825,348	3,200	80.00%
Albioma Solaire Matoury Carrefour de Stoupan, Route de Roula D6, Lieu-dit Macrabo Ouest Savanne du Tour de l'île 97351 Matoury (Guyane)	1,600,240	205,521	1,600,240	100.00%
Albioma Solaire Pierrelatte Tour Opus 12 77 esplanade du Général de Gaulle 92081 Paris La Défense Cedex	3,836,000	5,275,824	383,600	100.00%
Albioma Solaire Kourou Tour Opus 12 77 esplanade du Général de Gaulle 92081 Paris La Défense Cedex	1,000	(79,161)	900	90.00%
Albioma Saint-Pierre 13D avenue Charles Isautier - ZI n°3 97410 Saint-Pierre (La Réunion)	15,040,000	4,093,233	767,040	51.00%
Albioma Solaire Réunion 21 rue Hélène Boucher Zone Aéroportuaire 97438 Sainte-Marie (La Réunion)	50,000	14,853,865	5,000	100.00%
Solaire de Martinique Centre d'Affaires de Californie Immeuble Coralie – 8 lotissement La Trompeuse 97232 Lamentin (Martinique)	100,000	n/c	333	33.30%
Sun Developers 15 (Orgiva) Sancha de Lara 13 29015 Malaga (Espagne)	4,306	98,217	-	100.00%
Sun Developers 16 (Orgiva) Sancha de Lara 13 29015 Malaga (Espagne)	4,006	34,675	-	100.00%

Carrying amount of the shares						
Gross	Provision	Net	Shareholder advances, loans and current accounts	Dividend received in 2019	Revenue (excl. tax) for the last financial year	Net income for the last financial year
8,148,000	-	8,148,000	(3,553,766)	570,360	4,900,485	653,221
40,000	40,000	-	46,945	-	-	(3,147)
40,000	-	40,000	249,958	-	555,119	234,543
40,000	-	40,000	600,000	1,819,240	7,556,744	1,803,935
3 496 000	-	3,496,000	(1,511,193)	503,424	1,765,498	1,661,320
110,000	110,000	-	2,025,576	-	-	(13,890)
32,000	-	32,000	(354,343)	800,000	2,410,686	616,956
1,812,775	7,014	1,805,761	902,300	303,406	2,228,858	147,352
3,836,000	-	3,836,000	(6,800,777)	-	2,875,079	2,609,982
900	900	-	206,670	-	-	(5,654)
7,670,400	-	7,670,400	2,354,690	-	15,567,751	2,948,712
6,245,864	-	6,245,864	704,684	8,713,150	9,581,066	3,972,211
16,650	16,650	-	-	-	-	N/A
458,841	-	458,841	352,349	-	6,207	(3,833)
355,237	-	355,237	254,699	-	3,815	(2,567)

In euros (unless stated otherwise)	Share capital	Other equity	Number of shares held	% of capital held
Sun Developers 17 (Orgiva) Sancha de Lara 13 29015 Malaga (Espagne)	1,000	N/A	-	100.00%
Sun Developers 18 (Linares) Sancha de Lara 13 29015 Malaga (Espagne)	250	N/A	-	100.00%
Sun Developers 2 (Linares) Sancha de Lara 13 29015 Malaga (Espagne)	113,250	N/A	-	100.00%
Sun Developers 3 (Linares) Sancha de Lara 13 29015 Malaga (Espagne)	226,500	N/A	-	100.00%
Énergie Beaufonds 8 allée de Beaufonds 97470 Saint-Benoît (La Réunion)	37,000	N/A	1,195	64.62%
Albioma Solaire Caraïbes Tour Opus 12 77 esplanade du Général de Gaulle 92081 Paris La Défense Cedex	10,000	(7,285)	10,000	100.00%
Albioma Solaire Guyane 2017 Tour Opus 12 77 esplanade du Général de Gaulle 92081 Paris La Défense Cedex	10,000	(12,187)	10,000	100.00%
Saint Benoit Energies vertes ZI de Beaufonds Chemin Manioc 97470 Saint-Benoît (La Réunion)	10,000	N/A	2	20.00%
Albioma Solaire Organabo Tour Opus 12 77 esplanade du Général de Gaulle 92081 Paris La Défense Cedex	10,000	(4,371)	10,000	100.00%
Albioma Solaire Galion (anciennement Solaire Du Bac) 16 rue des Artisans, ZAC du Bac 97220 La Trinité (Martinique)	1,000	(16,599)	51	51.00%
Albioma Solaire France Ecoparc - ZI Courtine 120 rue Jean-Marie Tjibaou 84000 Avignon	1,088,038	10,128,504	77,717	100.00%
Albioma Solaire Tour Opus 12 77 esplanade du Général de Gaulle 92081 Paris La Défense Cedex	1,000	(1,000)	100	100.00%
Total				

Carrying amount of the shares						
Gross	**Provision**	**Net**	**Shareholder advances, loans and current accounts**	**Dividend received in 2019**	**Revenue (excl. tax) for the last financial year**	**Net income for the last financial year**
1,000	1,000	-	-	-	-	N/A
250	250	-	-	-	-	N/A
113,250	113,250	-	112	-	-	N/A
226,500	226,500	-	118	-	-	N/A
18,803	18,803	-	-	-	N/A	N/A
10,000	-	10,000	380,314	-	-	(5,411)
10,000	-	10,000	-	-	-	(4,947)
2,000	2,000	-	-	-	-	N/A
10,000	-	10,000	-	-	-	(4,371)
1	-	1	-	-	-	(9,243)
16,349,242	-	16,349,242	3,422	-	478,394	24,938,738
1,000	-	1,000	-	-	-	(1,000)
286,746,288	**11,637,950**	**275,108,338**	**(80,593,767)**	**48,410,773**		

5.4. Statutory Auditors' Report on the annual financial statements

PricewaterhouseCoopers Audit
63 rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars
Tour Exaltis – 61 rue Henri Regnault
92400 Courbevoie

To the Albioma General Meeting,

OPINION

In compliance with the assignment entrusted to us by your General Meeting, we have audited the Albioma annual financial statements for the financial year ended 31 December 2019, as appended to this report. These financial statements were approved by the Board of Directors on 2 March 2020 on the basis of information available at that date against the background of the developing Covid 19 pandemic.

In our opinion, the annual financial statements for the financial year under review give a true and fair view of the Company's assets and liabilities, financial position and profit and loss, in accordance with generally-accepted accounting principles in France.

The opinion given above is consistent with the content of our report to the Audit, Accounts and Risks Committee.

BASIS FOR OUR OPINION

Auditing standards

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are set out in the section of this report entitled «Statutory Auditors' responsibilities regarding the audit of the annual financial statements».

Independence

We conducted our audit, in accordance with the rules of independence that apply to us, during the period from 1 January 2019 to the date of issue of our report. In particular we did not provide any services prohibited by Article 5 (1) of Regulation (EU) no. 537/2014 or by the French Code of Ethics for Statutory Auditors.

JUSTIFICATION OF OUR ASSESSMENTS - KEY AUDIT MATTERS

In accordance with the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key audit matters relating to risks of material misstatement that, in our professional judgement, were of most significance for the audit of the annual financial statements for the financial year under review, as well as our responses to those risks.

These assessments were made in the context of our audit of the annual financial statements taken as a whole, approved in the manner indicated above, and of forming our opinion expressed above. We do not provide a separate opinion on specific items included in these annual financial statements.

Measurement of participating interests (Notes 2.2 and 3.1 to the annual financial statements)

Description of the risk

Albioma holds participating interests in thermal power plants and in photovoltaic plants. At 31 December 2019, the net amount at which participating interests were recognised in the statement of financial position was €274,382 thousand, i.e. 58% of the Company's total assets. The gross value at which current account balances due from investees were recognised in the statement of financial position was €58,480 thousand, against which impairment provisions had been recognised totalling €4,757 thousand. These account balances are recognised on the «Other receivables» line.

Participating interests are initially recognised at their acquisition cost.

As indicated in Note 2.2 to the annual financial statements, a review of the indications of impairment of participating interests is performed annually on a line-by-line basis. If there is evidence of impairment, the present value is updated. The present value is initially determined on the basis of the Group's share in the recorded net assets of the investee. If said share is lower that the carrying amount of the participating interest, the present value is estimated on the basis of future cash flows.

Estimating future cash flows requires significant judgement on the part of management, particularly as regards the drawing up of forecasts and the selection of the discount rates and long-term growth rates used. The forecasts are based on economic and operational assumptions such as the uptime of the plants or changes in operating costs.

If the present value determined in this manner is lower than the carrying amounts of the interests held and the current account balances, a provision for impairment is recognised.

Given the relative importance of these participating interests to the statement of financial position and the uncertainties inherent in the assumptions used to measure their present value, we have taken the view that the measurement of participating interests and, where relevant, that of the related current account balances owed by subsidiaries is a key audit matter.

Audit procedures implemented to address this risk

To assess the reasonableness of the estimated present values of the participating interests and current accounts, our audit work focussed mainly on:

- understanding the processes implemented by the Group to identify indications of impairment and draw up budgets;
- in the case of measurements using historical data, checking that the equity used matches the accounts of the investees;
- in the case of measurements based on forecast information, assessing the reasonableness of the assumptions used (forecast earnings, growth rates and discount rates) by comparing it with historical performance and by corroborating it with the relevant contractual terms and conditions and the economic and regulatory environment in which Albioma operates.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications provided for by law and regulation.

Information provided in the management report and in other documents on the financial position and the annual financial statements sent to shareholders

We have no comments to make as to the fair presentation and consistency with the annual financial statements of the information provided in the Board of Directors' management report approved on 2 March 2020 and in the other documents on the financial position and the annual financial statements sent to shareholders. With respect to the events occurring and the information coming to light after the reporting date on the effects of the Covid-19 pandemic, Management informed us that an update would be presented to the General Meeting called to approve the financial statements.

We confirm the accuracy and consistency with the annual financial statements of the information relating to payment times referred to in Article D. 441-4 of the French Commercial Code.

Report on corporate governance

We confirm that the disclosures required under Articles 225-37-3 and L.225-37-4 of the French Commercial Code have been included in the Board of Directors' report on corporate governance.

Regarding the information provided pursuant to the provisions of Article L. 225-37-3 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 controlled companies within the scope of consolidation. Based on this work, we certify that this information provides a true and fair view.

Regarding the information relating to those factors your Company has deemed likely to have an impact in the event of a public purchase or exchange offer, which was provided in accordance with Article L. 225-37-5 of the French Commercial Code, we have verified its consistency with the documents from which it was extracted and which were provided to us. Based on this work, we have no comments to make on this information.

Other information

Pursuant to the law, we have verified that the various items of information on the acquisition of participating and controlling interests and on the identity of the holders of the share capital and rights has been provided to you in the management report.

DISCLOSURES RESULTING FROM OTHER LEGAL AND REGULATORY OBLIGATIONS

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Albioma by the General Meeting of 18 May 2010 in the case of PricewaterhouseCoopers Audit and 27 May 2004 in the case of Mazars.

At 31 December 2019, PricewaterhouseCoopers Audit was in the 10th consecutive year of its term of office and Mazars was in its 16th year.

RESPONSIBILITIES OF MANAGEMENT AND PERSONS CHARGED WITH CORPORATE GOVERNANCE IN RESPECT OF THE ANNUAL FINANCIAL STATEMENTS

It is management's responsibility to prepare annual financial statements giving a true and fair view in accordance with French accounting rules and principles and to implement the internal control procedures it deems necessary to ensure that the annual financial statements it has prepared are free of material misstatement, whether due to fraud or error.

When preparing the annual financial statements, it is management's responsibility to assess the company's ability to continue as a going concern, to present in those financial statements, where relevant, the necessary information relating to its viability as a going concern, and to apply the going concern accounting convention unless the Company is expected to be wound up or to cease operating.

The Audit, Accounts and Risks Committee is responsible for monitoring the financial reporting process and the effectiveness of the internal control and risk management systems and, where relevant, the internal audit system, as these apply to the procedures for preparing and processing the accounting and financial information.

The annual financial statements have been approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES REGARDING THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS

Audit objectives and approach

It is our responsibility to prepare a report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements taken as a whole are free of material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will systematically identify all material misstatements. Misstatements may result from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions that users of the financial statements make based on them.

As specified by Article L. 823-10-1 of the French Commercial Code, our responsibility is to certify the financial statements, and not to guarantee the viability or the quality of your Company's management.

As part of an audit carried out in accordance with French professional standards, the Statutory Auditors exercise professional judgement throughout the audit. In addition, they:

- identify and assess the risks of material misstatement in the annual financial statements, whether resulting from fraud or error, define and implement audit procedures to deal with those risks, and obtain audit evidence they deem sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation, or the circumvention of internal controls;
- obtain an understanding of the internal control system relevant to the audit so as to define audit procedures that are appropriate in the circumstances, and not for the purposes of expressing an opinion on the effectiveness of the internal control system;
- assess the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by management, as well as information about them disclosed in the annual financial statements;
- assess the appropriateness of management's application of the going concern accounting convention and, depending on the audit evidence obtained, whether a material uncertainty exists related to events or circumstances likely to jeopardize

the company's ability to continue as a going concern. This assessment is based on the evidence obtained up to the date of the auditors' report. It should, however, be noted that subsequent circumstances or events could cause the company to cease to continue as a going concern. If they conclude that a material uncertainty exists, they will draw readers' attention to the related disclosures in the annual financial statements or, if such disclosures are not provided or are inadequate, they will either issue a qualified opinion on the financial statements or refuse to certify them;

- evaluate the overall presentation of the annual financial statements and assess whether the annual financial statements represent the underlying transactions and events in such a manner as to achieve fair presentation.

Report to the Audit, Accounts and Risks Committee

We submit a report to the Audit, Accounts and Risks Committee which provides information about the scope of our audit and the work programme implemented, as well as our audit findings. We also bring to its attention, where relevant, material weaknesses in the internal control system that we identified in respect of the procedures for preparing and processing accounting and financial information.

The information provided in our report to the Audit, Accounts and Risks Committee includes the risks of material misstatement that we consider to have been the most important to the audit of the annual financial statements for the financial year under review and which therefore constitute the key audit matters, which we are required to describe in this report.

We also provide the Audit, Accounts and Risks Committee with the statement stipulated by Article 6 of Regulation (EU) 537-2014 confirming our independence, within the meaning of the rules applicable in France as specified, in particular, in Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the Statutory Auditors' professional code of ethics. Where relevant, we discuss with the Audit, Accounts and Risks Committee any risks to our independence and the safeguards applied.

Neuilly-sur-Seine and Courbevoie, on 29 April 2020

The Statutory Auditors,

PricewaterhouseCoopers Audit
Jérôme Mouazan
Partner

Mazars
Daniel Escudeiro
Partner

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6.1. Company information

6.1.1. IDENTIFICATION DETAILS

6.1.1.1. Name

The Company has been called Albioma since the 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 Séchilienne-Sidec.

6.1.1.2. Legal form

Albioma is a French limited company incorporated as a *société anonyme* governed by a Board of Directors.

6.1.1.3. Legislation applicable to the issuer

Albioma is governed by French law.

6.1.1.4. Trade and companies register

The Company is registered in the Nanterre Trade and Companies Register under number 775 667 538 (APE Code: 7010 Z).

6.1.1.5. Legal Entity Identifyer (LEI)

The Company's LEI is 9695002W8GRJRZ44MA62.

6.1.1.6. Date of incorporation and duration of the Company (Article 6 of the Memorandum and 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."

6.1.1.7. Objects (Article 3 of the Memorandum and Articles of Association)

"The Company has the following objects:

- *to study, create, finance, supply, operate and sell, either directly or indirectly, facilities recycling and/or using any form of fossil fuel or renewable energy along with all electrometallurgical, electronic, electrochemical, chemical, gaseous, metallurgical, electrical, mechanical, thermal, hydraulic, handling and traction products, appliances and equipment,*
- *to acquire direct or indirect holdings in any existing or future French or foreign business or company, whose corporate objects may contribute towards the achievement of the corporate objects or are connected to these objects or similar or related objects, and to take over the management of the said business or company,*
- *and, generally, to carry out all industrial and commercial transactions and all transactions involving movable or immovable property, that are directly or indirectly connected to the foregoing or that may be useful for the corporate objects or instrumental in the achievement or development thereof."*

6.1.1.8. Registered office

The Company's registered office is at Tour Opus 12, 77 esplanade du Général de Gaulle, 92081 Paris La Défense, France.

6.1.1.9. Financial year

The Company's financial year commences on 1 January and ends on 31 December of each year.

6.1.1.10. 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.

6.1.1.11. Contact details

Tour Opus 12
La Défense 9
77 esplanade du Général de Gaulle
92914 La Défense Cedex

+33 (0)1 47 76 67 00
communication@albioma.com

6.1.2. MEMORANDUM AND ARTICLES OF ASSOCIATION

6.1.2.1. Amendments to the Memorandum and Articles of Association approved by the General Meeting of 27 May 2019

The General Meeting of 27 May 2019 approved the amendments to the provisions of Articles 22 and 34 of the Memorandum and Articles of Association concerning the procedures for calling and holding meetings of the Board of Directors and for chairing General Meetings. These amendments stemmed in particular from adapting the Memorandum and Articles of Association to reflect the appointment, at the Board meeting of 24 October 2018, of Pierre Bouchut as Lead Independent Director with effect from the combining of the roles of Chairman of the Board of Directors and Chief Executive Officer (see additional information in Section 2.3.3.1 on pages 94 *et seq.* of this Universal Registration Document).

6.1.2.2. Amendments to the Memorandum and Articles of Association submitted for approval by the General Meeting of 29 May 2020

The General Meeting of 29 May 2020 will be called upon to deliberate on amendments to the provisions of Articles 21 and 38 of the Memorandum and Articles of Association on Director remuneration made to reflect legislative changes enacted in Act no. 2019-486 of 22 May 2019 on business growth and transformation (see additional information in Section 7.2.2.5 on pages 301 *et seq.* of this Universal Registration Document).

6.1.2.3. 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 governance 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.

When the roles of Chairman of the Board of Directors and Chief Executive Officer are combined, the Board shall appoint one of its members as Lead Independent Director to ensure the proper functioning of the Company's governance bodies and that Directors receive the information they need to perform their duties.

Meetings are chaired by the Chairman of the Board of Directors, except in the following scenarios when the Lead Independent Director is tasked with this responsibility:

- *proceedings for which the Chairman is absent;*
- *proceedings in which the Chairman does not participate and does not vote;*
- *the Chairman's absence;*
- *the Chairman is temporarily or permanently precluded.*

Should the Lead Independent Director be in one of the above situations, the meeting will be chaired by a Director specially appointed to this end by Board members attending the meeting.

Meetings are called by the Chairman or, in the event of the temporary or permanent incapacity of the latter, by the Lead Independent Director. In any event, meetings of the Board of Directors may be called by half of its members. 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.*

Notices of meetings are given by any means, including orally, in principle at least 48 hours before the meeting of the Board of Directors, except in the event of an emergency.

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 video-conferencing 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 French 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."

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 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."

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 composed 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."

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 French 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 transactions 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."

6.1.2.4. 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 redemption 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 all General Meetings the quorum shall be calculated on the basis of all shares comprising the capital, other than those that have been stripped of voting rights pursuant to the laws or regulations.

Each shareholder shall have a number of votes corresponding to the number of shares he holds or represents on which no payments are outstanding, and the length or method of ownership of the shares shall not grant any shareholder double or multiple voting rights in any respect whatsoever."

Article 45 of the Memorandum and Articles of Association

1. "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 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.

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 shareholders at a General Meeting may decide to distribute sums deducted from the reserves available to them: in such a case, the resolution adopted must expressly state the reserve funds from which the sums will 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.

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."

2. "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 euro 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 increases may not exceed 0.5% of the 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 Ordinary General Meeting to be held in 2016."

6.1.2.5. Amendment to shareholder rights (Article 39 of the Memorandum and Articles of Association)

Please see Section 6.1.2.5 on page 254 of this Universal Registration Document.

6.1.2.6. 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

"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 two 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 second 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.

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."

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, in his absence or if temporarily or permanently precluded, by the Lead Independent Director if one has been appointed. 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

Please see Section 6.1.2.4 on page 251 of this Universal Registration Document.

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 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 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 be posted 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 experts 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."

6.1.2.7. Shareholding thresholds

The provisions of Article L. 233-7 of the French 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 French 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 French Commercial Code.

6.1.2.8. Clauses that may affect control of the Company

Not applicable.

6.1.2.9. Changes to the 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 capital by any means allowed by the applicable laws.

In the event of a reduction of the capital, the shareholders may resolve that shareholders must sell or purchase a sufficient number of 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 see Section 6.1.2.6 on page 254 of this Universal Registration Document.

6.2. Capital

6.2.1. PROVISIONS OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION CONCERNING CHANGES IN CAPITAL AND VOTING RIGHTS

Please see Sections 6.1.2.6 on pages 252 *et seq.* and 6.1.2.9 on page 255 of this Universal Registration Document.

6.2.2. ISSUED CAPITAL AND UNISSUED AUTHORISED CAPITAL

6.2.2.1. Issued capital

As at 31 December 2019, the Company's capital was €1,205,840.52 divided into 31,320,533 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 capital did not change between 31 December 2019 and the filing of this Universal Registration Document.

6.2.2.2. Unissued authorised capital

Summary of the authorisations that are currently valid or that expired during the 2019 financial year granted to the Board of Directors by the General Meeting, to allow it to increase or reduce the capital, buy back the Company's own shares or allot bonus performance shares.

The table below shows, in particular pursuant to the provisions of Article L. 225-37-4 of the French Commercial Code, the currently valid deliberations as well as those that expired during the 2019 financial year, granted to the Board of Directors by the General Meeting, to allow it to increase or reduce the capital, buy back the Company's own shares or allot bonus performance shares, and the extent to which they were used by the Board of Directors during the 2019 financial year. It also summarises the main features of the delegations and authorisations put to the General Meeting of 29 May 2020 (see additional information in Section 7.2 on pages 282 *et seq.* of this Universal Registration Document).

Nature of autorisation	Date of General Meeting (resolution number)	Period (in months)	Maximum amount authorised
INCREASE OF CAPITAL			
Issue with maintenance of preferential subscription rights	27/05/2019 (15)	26	30% of the capital, €200 million in par value for debt securities
Increase in the amount of issues with maintenance of preferential subscription rights	27/05/2019 (16)	26	15% of initial issue[1]
Issue in consideration for cash contributions	n/a	n/a	n/a
Issue with waiver of preferential subscription rights in favour of members of a company savings plan or a group savings plan	27/05/2019 (17)	26	0.75% of the capital[1]
Capital increase by the capitalisation of premiums, reserves, profit or other sums eligible for capitalisation	27/05/2019 (18)	26	Total amount that can be capitalised as at the date of the Board of Directors' decision
Issue with waiver of preferential subscription rights in favour of members of a company savings plan or a group savings plan	30/05/2018 (16)	26	0.75% of the capital[3]
Issue with maintenance of preferential subscription rights	31/05/2017 (19)	26	30% of the capital, €200 million in par value for debt securities
Increase in the amount of issues with maintenance of preferential subscription rights	31/05/2017 (20)	26	15% of initial issue[2]
Capital increase by the capitalisation of premiums, reserves, profit or other sums eligible for capitalisation	31/05/2017 (22)	26	Total amount that can be capitalised as at the date of the Board of Directors' decision
COMPANY SHARE BUYBACK			
Authorisation to allow the Company to buy back its own shares within the framework of a share buyback programme	27/05/2019 (13)	18	10% of the capital on the date of purchase (5% of the 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) Maximum total amount of purchases, net of costs: €30 million Maximum purchase price per share: €28
Authorisation to reduce the Company's capital by cancelling shares purchased by the Company within the framework of a share buyback programme	27/05/2019 (14)	18	10% of the capital per 24-month period
Authorisation to allow the Company to buy back its own shares within the framework of a share buyback programme	30/05/2018 (12)	18	10% of the capital on the date of purchase (5% of the 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) Maximum total amount of purchases, net of costs: €30 million Maximum purchase price per share: €28
Authorisation to reduce the Company's capital by cancelling shares purchased by the Company within the framework of a share buyback programme	30/05/2018 (13)	18	10% of the capital per 24-month period
SHARE SUBSCRIPTION AND PURCHASE OPTIONS AND BONUS PERFORMANCE SHARES			
Authorisation to allot existing bonus performance shares to employees and corporate officers of the Company and related companies	30/05/2018 (15)	38	919,000 shares

1. Maximum amount set against the cap of 30% of the capital (for capital securities) and €200 million (for debt securities) provided for by the 15th resolution of the General Meeting of 27 May 2019.

2. Expired on 27 May 2019.

3. Maximum amount set against the cap of 30% of the capital (for capital securities) and €200 million (for debt securities) provided for by the 19th resolution of the General Meeting of 31 May 2017.

4. See additional information in Section 6.3.6.2 on pages 263 et seq. of this Universal Registration Document.

5. See additional information in Section 6.4.3.1 on page 271 of this Universal Registration Document.

6. The aggregate nominal amount of the capital increases that may result from this delegation and the delegation granted to the Board of Directors by the 17th resolution approved by the General Meeting of 27 May 2019 may not exceed 0.75% of the capital on the date of the issuance decision.

Valid authorisations (and authorisations that expired during the 2019 financial year)		Authorisations proposed to the General Meeting of 29/05/2020		
Methods for determining the issue price	**Use during the financial year**	**Resolution number**	**Period (in months)**	**Maximum amount authorised**
Freely determined by the Board of Directors	None	n/a	n/a	n/a
Issue price of the shares or securities offered with maintenance of preferential subscription rights	None	n/a	n/a	n/a
n/a	n/a	14	26	10% of the capital[1]
Determined by the Board of Directors under the terms of Articles L. 3332-18 *et seq.* of the French Labour Code, with a minimum of 80% of the average opening price of the Company's shares on Euronext Paris in the 20 trading days prior to the date of the Board of Directors' decision setting the date on which the subscription period opens	None	15	26	0.75% du capital[1,6]
Freely determined by the Board of Directors	None	n/a	n/a	n/a
Determined by the Board of Directors under the terms of Articles L. 3332-18 *et seq.* of the French Labour Code, with a minimum of 80% of the average opening price of the Company's shares on Euronext Paris in the 20 trading days prior to the date of the Board of Directors' decision setting the date on which the subscription period opens	None[2]	n/a	n/a	n/a
Freely determined by the Board of Directors	None[2]	n/a	n/a	n/a
Issue price of the shares or securities offered with maintenance of preferential subscription rights	None[2]	n/a	n/a	n/a
Freely determined by the Board of Directors	None[2]	n/a	n/a	n/a
n/a	Implementation of a liquidity contract by Rothschild Martin Maurel (434,164 treasury shares at 31/12/2019, including 5,720 under the liquidity contract)[4]	11	18	10% of the capital on the date of purchase (5% of the 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) Maximum total amount of purchases, net of costs: €35 million Maximum purchase price per share: €45
n/a	None	12	18	10% of the capital per 24-month period
n/a	Implementation of a liquidity contract by Rothschild Martin Maurel (433,337 treasury shares at 31/05/2019, including 1,500 under the liquidity contract)[2,4]	n/a	n/a	n/a
n/a	None[2]	n/a	n/a	n/a
n/a	Allotment of 303,971 bonus performance shares[5]	13	18	846,000 shares

Potential capital

The table below shows the potential capital on 31 December 2019 and on the date of filing of this Universal Registration Document.

	31/12/2019		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	31,320,533	1,205,840.52	31,320,533	1,205,840.52
Authorised unissued capital	1,071,731	41,261.64	1,071,731	41,261.64
of which, resulting from exercise of stock options	-	-	-	-
of which, resulting from bonus performance shares allotted	-	-	-	-
of which, resulting from redeemable share subscription and/or purchase warrants (BSAAR warrants)	1,071,731	41,261.64	1,071,731	41,261.64
Total	**32,392,264**	**1,247,102.16**	**32,392,264**	**1,247,102.16**

Seeing that only treasury shares may be used for the current bonus performance share plans (see additional information in Section 6.4.3.1 on pages 268 *et seq.* of this Universal Registration Document), the potential capital as at 31 December 2019 and as at the filing date of this Universal Registration Document was solely linked to the existence of the redeemable share subscription and/or purchase warrant ("BSAAR Warrants") plan put in place at the end of the 2018 financial year.

Further information on the redeemable share subscription and/or purchase warrant ("BSAAR Warrants") plan put in place in 2018

Acting upon the authority granted to it by the General Meeting of shareholders of 30 May 2018, the Board of Directors, at its meeting of 8 November 2018, decided to carry out the issue of a maximum of 1,071,731 redeemable share subscription and/or purchase warrants ("BSAAR Warrants"), with the waiver of the preferential subscription rights of shareholders, in favour of 43 eligible individuals chosen from among the employees and executive corporate officers of the Company and its subsidiaries (including the Chief Executive Officer of the Company).

The main aim of the issue was to associate the Group's key managers to the Group's medium-term growth and performance. The offering responds to these managers' wish to invest indirectly, without any contribution from the Company, a considerable proportion of their personal savings in Albioma shares in order to support the roll-out of the Company strategy via a financial product enabling an optimal alignment of the interests of the Group's senior managers with those of its shareholders.

The issue was a resounding success. With a subscription rate of over 140%, the transaction resulted in the issue of 1,071,731 BSAAR warrants of €0.90 each (giving issue proceeds of €964,557.90) between 31 subscribers including the Company's Chief Executive Officer, who subscribed for 110,650 BSAAR warrants. The Company's Board of Directors appointed Accuracy as appraiser, commissioned to give an independent opinion on the unit issue price of the BSAAR warrants. Accuracy considered the issue price to be reasonable, stating: *"The estimated value of each BSAAR warrant is comprised within a range of estimates from €0.62 to €1.16. On this basis, the price of €0.90 considered by the Company for the issue of the BSAAR warrants seems reasonable to us."* Accuracy's full report on its appraisal of the BSAAR warrants can be found on the Company's website (www.albioma.com).

The BSAAR warrants entitle their holders to subscribe for new shares and/or purchase existing Albioma shares; the Company may, at its discretion, allot new shares or existing shares or a combination of new and existing shares. A request will be made to admit the BSAAR warrants for trading on the Euronext Growth market. This request will be made no sooner than 6 December 2021 (save exceptions), the date from which the BSAAR warrants may be exercised. Until their admission for trading, the BSAAR warrants may neither be transferred nor exercised (save exceptions). Subject to the applicable adjustment rules, one BSAAR warrant will entitle its holder, at the Company's discretion, to subscribe for a new or existing share, in consideration of payment of the exercise price. Said price was set at €20.90, i.e. a price equal to 120% of the average closing prices quoted for the Company's shares over a period of 20 consecutive trading days preceding 8 November 2018. The BSAAR warrants may be exercised at any time as from their admission for trading on the Euronext Growth market, scheduled for 6 December 2021, until 4 December 2024, subject to the Board of Directors' right to temporarily suspend the exercise period. After 4 December 2024, the BSAAR warrants shall lapse by operation of law and, consequently, may not be exercised by their holders.

The maximum number of shares that could result from the exercise of the warrants (in the event that all the BSAAR warrants are exercised and that all the shares allotted upon exercise of the BSAAR warrants are new shares, without adjustments) is 1,071,731, representing approximately 3.46% of the Company's capital at 31 December 2018, and 3.35% of the Company's capital post exercise of the BSAAR warrants. In this case, the capital increase carried out would be a nominal amount of €41,261.6435. Exercise of all the BSAAR warrants would represent proceeds from the issue of at most €22,399,177.90.

The terms and conditions of the BSAAR warrants thus issued are available on the Company's website (www.albioma.com). Since the offer did not require the drawing up of a prospectus subject to the approval of the French Financial Markets Authority *(Autorité des Marchés Financiers - AMF),* its launch resulted, pursuant to the applicable legal and regulatory provisions, in the publication of a press release on 8 November 2018, which is available on the Company's website (www.albioma.com).

Option-based mechanisms that could impact the capital of the Company or of its subsidiaries

None (see additional information in Section 6.2.2.2 on pages 258 *et seq.* of this Universal Registration Document on the redeemable share subscription and/or purchase warrant ("BSAAR Warrants") plan put in place in 2018.

Non-capital securities

During the 2014 financial year, the Group completed a corporate debt refinancing transaction, through the private placement of an €80 million "Euro PP" type bond issue, maturing in December 2020 with an annual coupon of 3.85%.

Within this framework, at its meeting held on 27 May 2014, the Board of Directors authorised the par issue of 800 bonds with a par value of €100,000 and the listing for trading of the said bonds on Euronext Paris, effective from 6 July 2014.

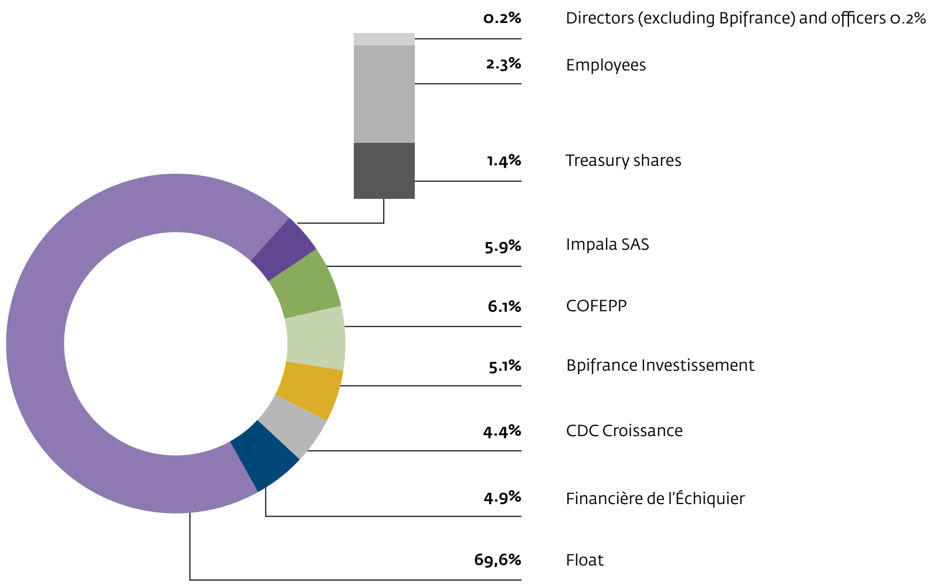
The prospectus for this issue, approved by the Financial Markets Authority on 3 June 2014 under number 14-267, is available in English on Albioma's website (www.albioma.com) and the Financial Markets Authority's website (www.amf-france.org).

6.2.3. CHANGES IN 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 the transaction	Number of shares created or cancelled	Number of shares after the transaction
31/12/2014	-	0.0385	-	1,144,794.88	-	29,734,932
02/07/2015	Payment in shares of 50% of the dividend for the 2014 financial year	0.0385	1,879.76	1,146,674.64	48,825	29,783,757
04/07/2016	Payment in shares of 50% of the dividend for the 2015 financial year	0.0385	16,688.79	1,163,363.43	433,475	30,217,232
10/07/2017	Payment in shares of 50% of the dividend for the 2016 financial year	0.0385	15,541.60	1,178,905.04	403,678	30,620,910
10/07/2018	Payment in shares of 50% of the dividend for the 2017 financial year	0.0385	11,924.76	1,190,829.79	309,734	30,930,644
10/07/2019	Payment in shares of 50% of the dividend for the 2018 financial year	0.0385	15,010.73	1,205,840.52	389,889	31,320,533

6.3. Shareholders

6.3.1. SHAREHOLDER STRUCTURE AT 27 APRIL 2020



6.3.2. CONTROL OF THE COMPANY, CROSSING OF STATUTORY DISCLOSURE THRESHOLDS, SHAREHOLDERS HOLDING MORE THAN 5% OF THE CAPITAL OR THE VOTING RIGHTS

6.3.2.1. Control of the Company

Until 19 June 2015, the Company was controlled by the following acting in concert: Financière Hélios (which, until that date, held 11,023,435 shares in the Company representing 37.07% of the capital and 37.24% of the voting rights), Altamir (which, until that date, held 449,727 shares representing 1.51% of the capital and 1.52% of the voting rights) and a private equity fund *(fonds professionnel de capital investissement)* called Apax France VI, managed by Apax Partners (which, until that date, held 1,156,028 shares representing 3.89% of the capital and 3.90% of the voting rights). Until that date, Financière Hélios was directly and indirectly controlled by Altamir and by Apax France VI.

On 5 June 2015, Apax Partners, the management company for Apax France VI and investment advisor for Altamir, informed the market of its intent to distribute more than 95% of its direct and indirect holding in the Company to its investors, corresponding to approximately 30% of the capital, following which Altamir would directly and indirectly hold almost 12% of the capital.

Following the completion of these transactions on 24 June 2015, the concert party of Altamir (which at that date directly and indirectly owned via Financière Hélios, 3,536,524 shares representing 11.89% of the capital and 11.95% of the voting rights), various entities and affiliated individuals and the Apax France VI private equity fund, owned 4,221,566 shares representing 14.20% of the capital and 14.26% of the voting rights.

Accordingly, the Company ceased to be controlled on 19 June 2015, and this position had not changed on 31 December 2019 or on the date of filing of this Universal Registration Document.

6.3.2.2. Crossing of statutory disclosure thresholds, shareholders holding more than 5% of the capital or the voting rights

To the best of the Company's knowledge, the only shareholders holding more than 5% of the capital or voting rights as at 31 December 2019 were:

- Impala SAS, which owns 1,860,000 shares representing 5.94% of the capital and 6.02% of the voting rights;
- Compagnie Financière Européenne de Prises de Participation (COFEPP), holding 1,908,661 shares representing 6.09% of the capital and 6.18% of the voting rights;
- Caisse des Dépôts et Consignations (indirectly, through EPIC Bpifrance, which in turn holds, indirectly through the ETI 2020 fund, which is managed by Bpifrance Investissement, 1,584,729 shares representing 5.06% of the capital and 5.13% of the voting rights, and CDC Croissance), holding 2,963,121 shares representing 9.46% of the capital and 9.59% of the voting rights;
- Financière de l'Échiquier, acting on behalf of funds it manages, which owns 1,573,186 shares representing 5.02% of the capital and 5.09% of the voting rights.

This situation results in particular from the crossing of capital and voting rights thresholds referred to in Article L. 233-7 of the French Commercial Code notified to the Company during the 2019 financial year: on 5 December 2019, Financière de l'Échiquier, acting on behalf of funds it manages, declared that on 4 December 2019 it had exceeded the thresholds of 5% of the capital and voting rights and, on behalf of said funds, held 1,573,186 shares representing 5.02% of the capital and 5.09% of the voting rights.

In application of Article L. 228-2 of the French Commercial Code and Article 13 of its Memorandum and Articles of Association, in January 2019 and in September 2019, the Company introduced, through Euroclear France, two procedures for identifying its bearer shareholders (the so-called Identifiable Bearer Securities surveys). They have not revealed any shareholders or intermediaries registered on behalf of non-resident shareholders with a holding exceeding one of the thresholds referred to in Article L. 233-7 of the French Commercial Code, other than those mentioned above.

6.3.3. CHANGES IN OWNERSHIP OF THE CAPITAL AND THE VOTING RIGHTS DURING THE LAST THREE FINANCIAL YEARS

	31/12/2019[1]			31/12/2018			31/12/2017		
	Number of shares	% of capital	% of exercisable voting rights[2]	Number of shares	% of capital	% of exercisable voting rights[2]	Number of shares	% of capital	% of exercisable voting rights[2]
Compagnie Financière Européenne de Prises de Participation[3]	2,963,121	9.46%	9.59%	2,934,623	9.49%	9.74%	2,784,623	9.09%	9.21%
Bpifrance Investissement	1,584,729	5.06%	5.13%	1,556,231	5.03%	5.17%	1,556,231	5.08%	5.14%
CDC Croissance	1,378,392	4.40%	4.46%	1,378,392	4.46%	4.58%	1,228,392	4.01%	4.06%
Compagnie Financière Européenne de Prises de Participation[3]	**1,908,661**	**6.09%**	**6.18%**	**1,874,389**	**6.06%**	**6.22%**	**1,843,034**	**6.02%**	**6.09%**
Impala SAS[3]	**1,860,000**	**5.94%**	**6.02%**	**1,860,000**	**6.01%**	**6.18%**	**-**	**-**	**-**
Financière de l'Échiquier[3]	1,573,186	5.02%	5.09%	1,346,178	4.35%	4.47%	1,068,561	3.49%	3.53%
Financière Hélios and affiliates[3]	78,655	0.25%	0.25%	78,655	0.25%	0.26%	4,144,172	13.53%	13.70%
Financière Hélios	-	-	-	-	-	-	3,215,859	10.50%	10.63%
FPCI Apax France VI	-	-	-	-	-	-	-	-	-
Altamir	-	-	-	-	-	-	468,961	1.53%	1.55%
Autres affiliés	78,655	0.25%	0.25%	78,655	0.25%	0.26%	459,352	1.50%	1.52%
Directors (excluding Financière Hélios et Bpifrance Investissement) and officers[4]	74,760	0.24%	0.24%	98,092	0.32%	0.33%	100,563	0.33%	0.33%
FCPE Albioma[5]	268,560	0.86%	0.87%	258,210	0.83%	0.86%	258,652	0.84%	0.86%
Employees (performance shares and stock options plans)[6]	463,414	1.48%	1.50%	153,309	0.50%	0.51%	143,100	0.47%	0.47%
Auto-contrôle	-	-	-	-	-	-	-	-	-
Treasury shares[7]	434,164	1.39%	-	811,223	2.62%	-	371,983	1.21%	-
Public	21,696,012	69.27%	70.24%	21,515,965	69.56%	71.44%	19,906,222	65.01%	65.81%
Total	**31,320,533**	**100.00%**	**100.00%**	**30,930,644**	**100.00%**	**100.00%**	**30,620,910**	**100.00%**	**100.00%**

1. Between 31 December 2019 and the date on which this Universal Registration Document was filed, Financière de l'Échiquier acting on behalf of funds it manages, declared that on 16 April 2020, it had fallen below the thresholds of 5% of the capital and voting rights and, on behalf of said funds, held 1,594,541 shares representing 4.95% of the capital and 5.02% of the voting rights. To the best of the Company's knowledge, the ownership of the capital did not undergo any other material change between 31 December 2019 and the date on which this Universal Registration Document was filed.

2. See additional information in Section 6.3.8 on page 266 of this Universal Registration Document. In the absence of any multiple voting rights, the percentage of theoretical voting rights is the same as the percentage of the capital.

3. See additional information in Section 6.3.2.2 on page 261 of this Universal Registration Document.

4. Directors and managers other than Financière Hélios and Bpifrance Investissement. As at 31 December 2019: Frédéric Moyne, Jean-Carlos Angulo, Pierre Bouchut, Marie-Claire Daveu, Frank Lacroix, Florence Lambert and Ulrike Steinhorst. As at 31 December 2018: Jacques Pétry, Jean-Carlos Angulo, Pierre Bouchut, Marie-Claire Daveu, Valérie Landon, Frédéric Moyne and Ulrike Steinhorst. As at 31 December 2017: Jacques Pétry, Jean-Carlos Angulo, Michel Bleitrach, Marie-Claire Daveu, Valérie Landon, Frédéric Moyne and Ulrike Steinhorst.

5. An employee shareholder company investment fund (fonds commun de placement d'entreprise) operating as part of the Company's company savings plan. See additional information in Section 1.9.3.1 on page 50 of this Universal Registration Document.

6. See additional information in Section 6.4.3.1 on pages 268 et seq. of this Universal Registration Document.

7. Shares held under a liquidity contract operated by Rothschild Martin Maurel and following the implementation of share buyback programmes, to acquire shares to be used for existing or future bonus performance share plans. See additional information in Section 6.3.6.2 on pages 263 et seq. of this Universal Registration Document.

6.3.4. EMPLOYEE SHAREHOLDERS

As at 31 December 2019, the Company's employees and former employees held, via Albioma FCPE, an employee shareholder company investment fund operating as part of the company savings plan, a total of 268,560 shares, representing 0.86% of the capital and 0.87% of the voting rights (see additional information in Section 1.9.3.1 on page 50 of this Universal Registration Document). 463,414 shares, representing 1.48% of the capital and 1.50% of the voting rights, were also held by employees of the Company and of its subsidiaries under the bonus performance share plans adopted by the General Meetings of 14 March 2012 and 24 May 2016 (see additional information in Section 6.4.3.1 on pages 268 *et seq.* of this Universal Registration Document.

6.3.5. SHAREHOLDER AGREEMENTS

6.3.5.1. Agreements liable to cause a change in control

None, to the best of the Company's knowledge.

6.3.5.2. Shareholders' agreements (Articles L. 233-11 of the French Commercial Code and 223-18 of the General Regulation of the Financial Markets Authority)

None, to the best of the Company's knowledge.

6.3.5.3. "Dutreil law" lock-in obligations

None, to the best of the Company's knowledge.

6.3.6. INTRA-GROUP CROSS-SHAREHOLDINGS, TREASURY SHARES AND SHARE BUYBACK PROGRAMMES

6.3.6.1. Intra-group cross-shareholdings

None.

6.3.6.2. Treasury shares, liquidity contracts and share buyback programmes

Treasury shares

At 31 December 2019, the Company owned 434,164 treasury shares (representing 1.39% of the capital and without voting rights, with the same par value as ordinary shares), with 428,444 shares held following the implementation of share buyback programmes to be used for current or future bonus performance share plans and 5,720 shares held under a liquidity contract performed by Rothschild Martin Maurel.

Share buyback programmes

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

During the 2019 financial year, the Board of Directors held two successive authorisations to buy back the Company's own shares within the framework of a share buyback programme, granted by the General Meetings of 30 May 2018 and 27 May 2019. The authorisation granted on 27 May 2019 invalidated the unused part of the authorisation granted on 30 May 2018.

The terms of these authorisations were as follows:

Objectives (in decreasing order of priority)	■ 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 *et seq.* of the French Commercial Code, all awards of bonus shares under a company or Group savings plan in accordance with Articles L. 3332-1 *et seq.* of the French Employment Code, all awards of bonus shares under Articles L. 225-197-1 *et seq.* of the French Commercial Code, and all awards 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 capital (5% of the 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 award of bonus shares and/or a stock split or reverse stock split transaction, 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	€30 million
Buying and selling procedures	By any means, in particular on the market or off the market, including over-the-counter, or through block trades or a public offering. There is no limit on the proportion of securities subject to block trading, and block trades may account for the entire share buyback programme. However, the use of options, derivatives and hybrid securities is prohibited.
Automatic suspension of the authorisation in the case of a public offering	Yes
Term	18 months from the date of the General Meeting

1. See additional information in Section 6.2.2.1 on page 255 of this Universal Registration Document.

During the 2019 financial year, shares were bought back under these authorisations in order to implement a liquidity contract operated by Rothschild Martin Maurel to guarantee the liquidity of the Albioma share on Euronext Paris.

No derivative products or option mechanisms were used for share buybacks in 2019. There was no open position (buy or sell) as at 31 December 2019, or on the date of the filing of this Universal Registration Document.

The Company has not used the authorisations to reduce its capital by cancelling shares acquired under a buyback programme granted by the General Meetings of 30 May 2018 and 27 May 2019 (see additional information in Section 6.2.2.2 on pages 255 *et seq.* of this Universal Registration Document).

Liquidity contracts

During the 2019 financial year, a liquidity contract was implemented by Rothschild Martin Maurel to stimulate the market for Albioma securities on the Euronext Paris. This contract complies with the AMAFI (Association des Marchés Financiers) code of conduct approved by the Financial Markets Authority.

During the financial year, the assets allocated to the liquidity contract were as follows:

	30/06/2019[1]	31/12/2019[2]
Investment service provider	Rothschild Martin Maurel	Rothschild Martin Maurel
Number of shares held on the liquidity account	500	5,720
Cash held on the liquidity account (in euros)	3,327,893	2,851,280

1. Date on which positions were calculated for the half-yearly liquidity contract results as at 30 June 2019.
2. Date on which positions were calculated for the half-yearly liquidity contract results as at 31 December 2019.

The assets allocated to the liquidity contract were adjusted on 31 December 2019 (partial reversal of assets totalling €369,156).

Other buybacks and transfers during the 2019 financial year

During the 2019 financial year:

- 369,386 shares were transferred to Group employees and the executive corporate officer who are beneficiaries under the "2016 managers and administrative staff" bonus performance share plan adopted by the General Meeting of 24 May 2016, subject to the continued service and performance conditions set out in that plan's bylaws (see additional information in Section 6.4.3.3 on page 273 of this Universal Registration Document);
- 13,393 shares were transferred to Group employees who are beneficiaries under the "2016 Brazil" bonus performance share plan adopted by the General Meeting of 24 May 2016, subject to the continued service and performance conditions set out in that plan's bylaws (see additional information in Section 6.4.3.3 on page 273 of this Universal Registration Document).

Summary of the Company's trading in its own shares during the 2019 financial year

	2019	% of capital
Total number of shares purchased over the 2019 financial year[1]	**331,022**	**2.99%**
of which, held under the liquidity contract operated by Rothschild Martin Maurel	331,022	1.51%
of which, held for other authorised purposes	-	1.48%
Total number of shares sold in the 2019 financial year[1]	**325,302**	**1.54%**
of which, held under the liquidity contract operated by Rothschild Martin Maurel	325,302	1.54%
of which, held for other authorised purposes	-	-
Average purchase price (in euros)[1]	**22.42**	
Average selling price (in euros)[1]	**22.70**	
Total number of shares transferred over the 2019 financial year	**382,779**	**0.05%**
Number of shares cancelled over the past 24 months	**-**	**-**
Number of shares held in the portfolio as at 31/12/2019	**434,164**	**1.39%**
of which, held under the liquidity contract operated by Rothschild Martin Maurel	5,720	0.02%
of which, to be used for current or future bonus performance share plans	428,444	1.37%
Net book value of the portfolio as at 31/12/2019 (in euros)[2]	**7,090,748**	
Market value of the portfolio as at 31/12/2019 (in euros)	**11,288,264**	

1. Transactions between 1 and 31 December 2019.

2. Net book value of the portfolio with value date 31 December 2019, calculated using the First In, First Out (FIFO) method.

Proposal to the General Meeting of 29 May 2020 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

	General Meeting of 29/05/2020
Objectives (in decreasing order of priority)	■ 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 Articles L. 225-177 *et seq.* of the French Commercial Code, all awards of bonus shares under a company or Group savings plan in accordance with Articles L. 3332-1 *et seq.* of the French Employment Code, all awards of bonus shares under Articles L. 225-197-1 *et seq.* of the French Commercial Code, and all awards 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 shares with a view to their subsequent delivery as payment or in exchange within the framework of external growth operations. ■ To implement any 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 capital (5% of the 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	€45 per share, and in the event of capital transactions such as the capitalisation of reserves followed by the issue and award of bonus shares and/ or a stock split or reverse stock split transaction, 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	€35 million
Buying and selling procedures	By any means, in particular on the market or off the market, including over-the-counter, or through block trades or a public offering. There is no limit on the proportion of securities subject to block trading, and block trades may account for the entire share buyback programme. However, the use of options, derivatives and composite securities is prohibited.
Automatic suspension of the authorisation in the case of a public offering	Yes
Term	18 months from the date of the General Meeting

Proposal to the General Meeting of 29 May 2020 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 of 29 May 2020 is also invited to renew the authorisation granted to the Board of Directors by the General Meeting of 27 May 2019 to reduce the 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 General Meeting of 27 May 2019 (see additional information in Section 7.2.2.1 on pages 294 *et seq.* of this Universal Registration Document).

6.3.7. PLEDGES OF THE COMPANY'S SHARES

To the best of the Company's knowledge, based on entries in the shareholder register, 29,063 shares representing 0.09% of the capital and 0.09% of the voting rights had been pledged as at 31 December 2019.

	Beneficiary	Start date of pledge	End date of pledge	Conditions for freeing shares	Number of shares pledged	% of capital pledged as at 31/12/2019
Escuret Edmond	n/c	n/c	n/c	n/c	18,360	0.059%
Foyer International SA	n/c	n/c	n/c	n/c	8,210	0.026%
Geoffroy Jean-Philippe	n/c	n/c	n/c	n/c	721	0.002%
Lubenec Stéphane	n/c	n/c	n/c	n/c	1,200	0.004%
Mignon-Nicolas Hedwige	n/c	n/c	n/c	n/c	572	0.002%
Total					**29,063**	**0.093%**

6.3.8. VOTING RIGHTS

As at 31 December 2019 and on the date of filing of this Universal Registration Document, 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.

The Company's treasury shares have been temporarily stripped of voting rights. The Company publishes the number of exercisable voting rights and theoretical voting rights attached to the shares that comprise the capital every month (unless there are no material changes).

Theoretical voting rights are calculated on the basis of all the shares to which voting rights are attached, including treasury shares, 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 French 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.

The General Meeting of 28 May 2015 adopted by a large majority the amendment of Article 37 of the Memorandum and Articles of Association confirming the principle of "one share, one vote", as the Board of Directors had decided to make use of the exception allowed in Article L. 225-123 of the French Commercial Code, as amended pursuant to Act 2014-384 of 29 March 2014.

6.4. Share subscription and purchase option plans and bonus performance share plans

6.4.1. THE GROUP'S LONG-TERM PROFIT SHARE POLICY

The Company sets great store by offering Group employees and management a long-term profit share plan. The current mechanisms take the shape of bonus performance share plans.

The plans in place at the date on which this Universal Registration Document was filed are part of the three-year bonus performance share framework adopted by the General Meeting of 30 May 2018, under which up to 919,000 shares could be awarded, representing 2.93% of the capital at 31 December 2019, and open to certain employees and executive corporate officers of the Company and of its subsidiaries. This allows the successive implementation of three bonus performance share plans, each involving around 1% of the capital and covering a period of three financial years (2018-2020, 2019-2021 and 2020-2022). The first tranche saw the implementation, in 2018, of a "2018" plan involving 0.99% of the capital at 31 December 2019. The second tranche gave rise to the implementation, in 2019, of a "2019" plan involving 0.98% of the capital at 31 December 2019. The third tranche was implemented by the Board of Directors at its meeting on 2 March 2020 through a "2020" plan once again involving around 1% of the capital at 31 December 2019.

The bonus performance share plans adopted by the General Meeting of 24 May 2016, which is part of an overall framework allowing 596,000 shares to be awarded, representing 1.90% of the capital at 31 December 2019, to managers (including Company executive corporate officers) and administrative staff in the Company and some of its subsidiaries ("2016 managers and administrative staff" plan) and managers and administrative staff in the Company's subsidiaries in Brazil ("2016 Brazil" plan), resulted in the vesting in the 2019 financial year of a portion of the bonus shares, insofar as the continued service and performance conditions set out in that plan's bylaws were satisfied (see additional information in Section 6.4.3.3 on page 273 of this Universal Registration Document).

In line with this long-term profit share policy for Group employees and corporate officers, the Board of Directors has decided to ask the General Meeting to be held on 29 May 2020 to approve a further authorisation to allot bonus performance shares to employees and executive corporate officers of the Company and its subsidiaries. The authorisation would be granted for a period of 38 months and would concern 2.7% of the capital. If the General Meeting approves the Board of Directors' proposal, three annual bonus performance share plans would be set up, each representing approximately 0.9% of the capital, on the basis of three-year performance periods (2021-2023, 2022-2024 and 2023-2025). See additional information in Section 7.2.2.2 on pages 295 *et seq.* of this Universal Registration Document.

6.4.2. SHARE SUBSCRIPTION AND PURCHASE OPTION PLANS

6.4.2.1. Share subscription and purchase option plans in force at 31 December 2019 or expiring during the 2019 financial year

None.

6.4.2.2. Share subscription and purchase options granted to non-corporate officer employees, or exercised by them during the 2019 financial year

None.

6.4.3. BONUS PERFORMANCE SHARE PLANS

The information that follows, together with the information in Section 2.4.2.8 on pages 127 *et seq.* of this Universal Registration Document, constitutes the report of the Board of Directors referred to in Article L. 225-197-4 of the French Commercial Code.

6.4.3.1. Bonus performance share plans in force as at the date of filing of the Registration Document or expiring during the 2019 financial year

Bonus performance share plans adopted by the General Meeting of 24 May 2016

"2016 managers and administrative staff" plan

		As % of capital as at 31/12/2019
Date of the General Meeting	24/05/2016	
Date of the Board of Directors' meeting	24/05/2016	
Total number of initial beneficiaries	100	
Date of effective acquisition of the performance shares[1]	24/05/2019	
End date of the lock-in period for performance shares[2]	n/a	
Total number of performance shares alloted[3]	**494,808**	**1.58%**
of which, to the top 10 employees who are not corporate officers	176,232	0.56%
of which, to corporate officers	119,196	0.38%
▪ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	59,598	0.19%
▪ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	59,598	0.19%
Number of performance shares effectively acquired as at 31/12/2019	**369,386**	**1.18%**
of which, to the top 10 employees who are not corporate officers	148,864	0.48%
of which, to corporate officers	100,548	0.32%
▪ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	50,274	0.16%
▪ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	50,274	0.16%
Total number of performance shares cancelled or lapsed as at 31/12/2019	**125,422**	**0.40%**
of which, to the top 10 employees who are not corporate officers	27,368	0.09%
of which, to corporate officers	18,648	0.06%
▪ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	9,324	0.03%
▪ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	9,324	0.03%
Number of performance shares remaining as at 31/12/2019	**-**	**-**
of which, to the top 10 employees who are not corporate officers	-	-
of which, to corporate officers	-	-
▪ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
▪ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	-	-

1. The vesting of the shares was subject to the following performance conditions:

- *Shares in the first tranche could only vest if 2018 consolidated EBITDA had increased compared to 2015 consolidated EBITDA by between +25% and +45%. The number of shares vesting on the basis of the effective performance within this range was calculated by linear interpolation between the lower and upper limits in this performance range.*
- *Shares in the second tranche could only vest if 2018 consolidated net income per share had increased compared to 2015 consolidated net income per share by between +15% and +30%. The number of shares vesting on the basis of the effective performance within this range was calculated by linear interpolation between the lower and upper limits in this performance range.*
- *Shares in the third tranche could only vest if the Albioma share price, net dividends reinvested (based on the average share price over 120 days) between 24 May 2016 and 24 May 2019 outperformed the CAC Small Net Return (CACSN) index over the same period by between 0% and 5%. The number of shares vesting on the basis of the effective performance within this range was calculated by linear interpolation between the lower and upper limits in this performance range.*

2. Vested shares were not subject to any lock-in obligation, the corporate officers being however subject to the additional obligation that they retain in their own name 25% of the shares vesting until they stand down from office.

3. The allotments were divided up into three tranches, with each tranche covering one third of the shares allotted. Various performance conditions had to be met to trigger the vesting of each tranche.

"2016 Brazil" plan

		As % of capital as at 31/12/2019
Date of the General Meeting	24/05/2016	
Date of the Board of Directors' meeting	26/07/2016	
Total number of initial beneficiaries	8	
Date of effective acquisition of the performance shares[1]	26/07/2019	
End date of the lock-in period for performance shares[2]	n/a	
Total number of performance shares alloted[3]	**23,574**	**0.08%**
of which, to the top 10 employees who are not corporate officers	23,574	0.08%
of which, to corporate officers	-	-
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	-	-
Number of performance shares effectively acquired as at 31/12/2019	**13,393**	**0.04%**
of which, to the top 10 employees who are not corporate officers	13,393	0.04%
of which, to corporate officers	-	-
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	-	-
Total number of performance shares cancelled or lapsed as at 31/12/2019	**10,181**	**0.03%**
of which, to the top 10 employees who are not corporate officers	10,181	0.03%
of which, to corporate officers	-	-
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	-	-
Number of performance shares remaining as at 31/12/2019	**-**	**-**
of which, to the top 10 employees who are not corporate officers	-	-
of which, to corporate officers	-	-
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	-	-

1. The vesting of the shares was subject to the following performance conditions:

- Shares in the first tranche could only vest if 2018 consolidated EBITDA had increased compared to 2015 consolidated EBITDA by between +25% and +45%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.

- Shares in the second tranche could only vest if 2018 consolidated net income per share had increased compared to 2015 consolidated net income per share by between +15% and +30%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.

- Shares in the third tranche could only vest if the Albioma share price, net dividends reinvested (based on the average share price over 120 days) between 24 May 2016 and 24 May 2019 outperformed the CAC Small Net Return (CACSN) index over the same period by between 0% and 5%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.

2. Shares vesting were not subject to any lock-in obligation.

3. The allotments were divided up into three tranches, with each tranche covering one third of the shares allotted. Various performance conditions had to be met to trigger the vesting of each tranche.

Bonus performance share plans adopted by the General Meeting of 30 May 2018

2018 Plan

		As % of capital as at 31/12/2019
Date of the General Meeting	30/05/2018	
Date of the Board of Directors' meeting	30/05/2018	
Total number of initial beneficiaries	88	
Date of effective acquisition of the performance shares[1]	30/05/2021	
End date of the lock-in period for performance shares[2]	30/05/2022	
Total number of performance shares alloted[3]	**309,600**	**0.99%**
of which, to the top 10 employees who are not corporate officers	133,100	0.42%
of which, to corporate officers	30,620	0.10%
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	30,620	0.10%
Number of performance shares effectively acquired as at 31/12/2019	**-**	**-**
of which, to the top 10 employees who are not corporate officers	-	-
of which, to corporate officers	-	-
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	-	-
Total number of performance shares cancelled or lapsed as at 31/12/2019	**27,260**	**0.09%**
of which, to the top 10 employees who are not corporate officers	17,240	0.06%
of which, to corporate officers	-	-
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	-	-
Number of performance shares remaining as at 31/12/2019	**282,340**	**0.90%**
of which, to the top 10 employees who are not corporate officers	115,860	0.37%
of which, to corporate officers	30,620	0.10%
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	30,620	0.10%

1. The vesting of the shares is subject to the following performance conditions being met.
- *Shares in the first tranche will not vest unless the 2020 consolidated EBITDA has increased compared to the 2017 consolidated EBITDA by between +30% and +50%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.*
- *Shares in the second tranche will not vest unless the 2020 consolidated net income per share has increased compared to the 2017 consolidated net income per share by between +35% and +57%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.*
- *Shares in the third tranche will only vest if the Albioma share price, net dividends reinvested (based on the average share price over 120 days) between 1 January 2018 and 31 December 2020 outperforms the CAC Small Net Return (CACSN) index over the same period by between 0% and 5%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.*
- *Shares in the fourth tranche will not vest unless the proportion of total power output from renewable energy between 2017 and 2020 has increased by between +17% and +32%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.*

2. Shares that have vested are subject to a one-year lock-in obligation, the corporate officers being subject to the additional obligation to retain as registered shares 25% of the shares vesting until they stand down from office.

3. The allotments are divided up into four tranches, and each tranche covers 25% of the shares allotted. Various performance conditions must be met to trigger the vesting of each tranche.

2019 Plan

		As % of capital as at 31/12/2019
Date of the General Meeting	30/05/2018	
Date of the Board of Directors' meeting	07/03/2019	
Total number of initial beneficiaries	96	
Date of effective acquisition of the performance shares[1]	07/03/2022	
End date of the lock-in period for performance shares[2]	07/03/2023	
Total number of performance shares alloted[3]	**305,420**	**0.98%**
of which. to the top 10 employees who are not corporate officers	131,980	0.42%
of which. to corporate officers	30,620	0.10%
▪ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016. Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
▪ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	30,620	0.10%
Number of performance shares effectively acquired as at 31/12/2019	**-**	**-**
of which. to the top 10 employees who are not corporate officers	-	-
of which. to corporate officers	-	-
▪ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016. Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
▪ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	-	-
Total number of performance shares cancelled or lapsed as at 31/12/2019	**11,020**	**0.04%**
of which. to the top 10 employees who are not corporate officers	8,620	0.03%
dont pour les mandataires sociaux	-	-
▪ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016. Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
▪ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	-	-
Number of performance shares remaining as at 31/12/2019	**294,400**	**0.94%**
of which. to the top 10 employees who are not corporate officers	123,360	0.39%
of which. to corporate officers	30,620	0.10%
▪ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016. Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
▪ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	30,620	0.10%

1. The vesting of the shares is subject to the following performance conditions being met.

- Shares in the first tranche will not vest unless the 2021 consolidated EBITDA has increased compared to the 2018 consolidated EBITDA by between +23% and +38%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.

- Shares in the second tranche will not vest unless the 2021 consolidated net income per share has increased compared to the 2018 consolidated net income per share by between +15% and +35%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.

- Shares in the third tranche will only vest if the Albioma share price, net dividends reinvested (based on the average share price over 120 days) between 1 January 2019 and 31 December 2021 outperforms the CAC Small Net Return (CACSN) index over the same period by between 0% and 5%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.

- Shares in the fourth tranche will not vest unless the proportion of total power output from renewable energy between 2018 and 2021 has increased by between +29% and +48%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.

2. Shares that have vested are subject to a one-year lock-in obligation, the corporate officers being subject to the additional obligation to retain as registered shares 25% of the shares vesting until they stand down from office.

3. The allotments are divided up into four tranches, and each tranche covers 25% of the shares allotted. Various performance conditions must be met to trigger the vesting of each tranche.

2020 Plan

		As % of capital as at the filing date of the Registration Document
Date of the General Meeting	30/05/2018	
Date of the Board of Directors' meeting	02/03/2020	
Total number of initial beneficiaries	116	
Date of effective acquisition of the performance shares[1]	02/03/2023	
End date of the lock-in period for performance shares[2]	02/03/2024	
Total number of performance shares alloted[3]	**303,971**	**0.97%**
of which, to the top 10 employees who are not corporate officers	125,352	0.40%
of which, to corporate officers	29,076	0.09%
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	29,076	0.09%
Number of performance shares effectively acquired as at the filing date of the Registration Document	**-**	**-**
of which, to the top 10 employees who are not corporate officers	-	-
of which, to corporate officers	-	-
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	-	-
Total number of performance shares cancelled or lapsed as at the filing date of the Registration Document	**-**	**-**
of which, to the top 10 employees who are not corporate officers	-	-
of which, to corporate officers	-	-
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	-	-
Number of performance shares remaining as at the filing date of the Registration Document	**303,971**	**0.97%**
of which, to the top 10 employees who are not corporate officers	125,352	0.40%
of which, to corporate officers	29,076	0.09%
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyne (Chief Executive Officer since 01/06/2016)	29,076	0.09%

1. The vesting of the shares is subject to the following performance conditions being met.

- Shares in the first tranche will not vest unless the 2022 consolidated EBITDA has increased compared to the 2019 consolidated EBITDA by between +18% and +28%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.

- Shares in the second tranche will not vest unless the 2022 consolidated net income per share has increased compared to the 2019 consolidated net income per share by between +20% and +35%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.

- Shares in the third tranche will only vest if the Albioma share price, net dividends reinvested (based on the average share price over 120 days) between 1 January 2020 and 31 December 2022 outperforms the CAC Small Net Return (CACSN) index over the same period by between 0% and 5%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.

- Shares in the fourth tranche will not vest unless the proportion of total power output from renewable energy between 2019 and 2022 has increased by between +10% and +20%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.

2. Shares that have vested are subject to a one-year lock-in obligation, the corporate officers being subject to the additional obligation to retain as registered shares 25% of the shares vesting until they stand down from office.

3. The allotments are divided up into four tranches, and each tranche covers 25% of the shares allotted. Various performance conditions must be met to trigger the vesting of each tranche.

6.4.3.2. Bonus performance shares awarded during the 2019 financial year to the ten employees who are not corporate officers with the highest number of shares

The total number of performance shares awarded during the 2019 financial year to the ten non-corporate officer employees who received the most shares totalled 131,980 all allocated under the 2019 plan adopted by the General Meeting of 30 May 2018.

6.4.3.3. Performance shares vested

Bonus performance share plans adopted by the General Meeting of 24 May 2016

"2016 managers and administrative staff" plan

The Board of Directors, at its 27 May 2019 meeting, recorded the following level of achievement of the performance conditions set out in the "2016 managers and administrative staff" plan:

Performance-related condition	Pondération	Reference	Lower limit	Absolute value	Higher limit	Absolute value	Value achieved	Number of shares vested (as a % of the corresponding share)
EBITDA 2018 vs. 2015 (in millions of euros)	33%	119.9	25%	149.9	45%	173.9	16,6	53.07%
EPS 2018 vs. 2015 (in euros)	33%	1.022	15%	1.175	30%	1.329	1.455	100.00%
Out-performance MM120 Albioma net dividends reinvested vs. CAC Small NR (spread as a %)	33%		-	-	5%	5%	45.2%	100.00%
MM120 Albioma net dividends reinvested (24/05/2016 - 24/05/2019)		13.05					20.84	
CAC Small NR (24/05/2016 - 24/05/2019)		13,005.14					14,894.10	
Total	**100%**							**84.36%**

The performance levels resulted in the vesting, on 24 May 2019, of 369,386 shares in light of the continued service of the relevant beneficiaries at that date.

"2016 Brazil" plan

The Board of Directors, at its 27 May 2019 meeting, recorded the following level of achievement of the performance conditions set out in the "2016 Brazil" plan:

Performance-related condition	Pondération	Reference	Lower limit	Absolute value	Higher limit	Absolute value	Value achieved	Number of shares vested (as a % of the corresponding share)
EBITDA 2018 vs. 2015 (in millions of euros)	33%	119.9	25%	149.9	45%	173.9	162.6	53.07%
EPS 2018 vs. 2015 (in euros)	33%	1.022	15%	1.175	30%	1.329	1.455	100.00%
Out-performance MM120 Albioma net dividends reinvested vs. CAC Small NR (spread as a %)	33%		-	-	5%	5%	45.2%	100.00%
MM120 Albioma net dividends reinvested (24/05/2016 - 24/05/2019)		13.05					20.84	
CAC Small NR (24/05/2016 - 24/05/2019)		13,005.14					14,894.10	
Total	**100%**							**84.36%**

The performance levels resulted in the vesting, on 26 July 2019, of 13,393 shares in light of the continued service of the relevant beneficiaries at that date.

Bonus performance share plans adopted by the General Meeting of 30 May 2018

2018 Plan

At 31 December 2019, the analysis of the achievement of the performance conditions governing the vesting of the bonus shares granted under the 2018 plan was ongoing, the analysis period running, in line with the plan bylaws, to 31 December 2020.

2019 Plan

At 31 December 2019, the analysis of the achievement of the performance conditions governing the vesting of the bonus shares granted under the 2019 plan was ongoing, the analysis period running, in line with the plan bylaws, to 31 December 2021.

2020 Plan

At 31 December 2019, the analysis of the achievement of the performance conditions governing the vesting of the bonus shares granted under the 2020 plan was ongoing, the analysis period running, in line with the plan bylaws, to 31 December 2022.

6.5. Factors likely to have an impact in the event of a public offering

The following information is provided pursuant to Article L. 225-100-3 of the French Commercial Code.

6.5.1. THE COMPANY'S CAPITAL STRUCTURE

The Company ceased to be controlled on 19 June 2015, and this position had not changed on 31 December 2019 or on the date of filing of this Universal Registration Document. This means that the structure of the Company's capital is no longer likely to have an impact in the event of a public offering.

The structure of the Company's capital is described in Section 6.3.1 on page 260 of this Universal Registration Document. Information about control of the Company is provided in Section 6.3.2.1 on page 260 of this Universal Registration Document.

6.5.2. 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 FRENCH COMMERCIAL CODE

6.5.2.1. Restrictions imposed by the Articles Of Association on the exercise of voting rights and share transfers

Shares vesting under the bonus performance share plan adopted by the General Meeting of 14 March 2012 are subject to a two-year lock-in obligation commencing on the date on which they vest and the executive corporate officers are subject to an additional obligation requiring them to retain 25% of the vesting shares as registered shares until they stand down from office. Shares vesting under the bonus performance share plan adopted by the General Meeting of 24 May 2016 were not subject to any general lock-in obligation, although executive corporate officers nevertheless continue to be subject to an additional obligation requiring them to retain 25% of the vesting shares as registered shares until they stand down from office.

At 31 December 2019, only 34,236 shares, representing 0.11% of the capital, remain subject to these obligations in terms of the additional obligation on executive corporate officers incumbent on Frédéric Moyne as Chairman and Chief Executive Officer.

6.5.2.2. Contractual clauses of which the Company has been notified pursuant to Article L. 233-11 of the French Commercial Code

None.

6.5.3. DIRECT OR INDIRECT HOLDINGS IN THE COMPANY'S CAPITAL OF WHICH THE COMPANY IS AWARE PURSUANT TO ARTICLES L. 233-7 AND L. 233-12 OF THE FRENCH COMMERCIAL CODE

The direct and indirect holdings in the Company's capital of which the Company has been notified in application of Article L. 233-7 of the French Commercial Code are described in Section 6.3.2.2 on page 261 of this Universal Registration Document.

No direct or indirect holding have been notified to the Company in application of Article L. 233-12 of the French Commercial Code (see explanations in Section 6.3.6.1 on page 263 of this Universal Registration Document).

6.5.4. HOLDERS OF SECURITIES GRANTING SPECIAL RIGHTS OF CONTROL

None.

6.5.5. CONTROL MECHANISMS PROVIDED FOR IN ANY EMPLOYEE SHAREHOLDING PLAN IF THE EMPLOYEES DO NOT EXERCISE CONTROLLING RIGHTS

None (see additional information in Section 1.9.3.1 on page 50 of this Universal Registration Document).

6.5.6. AGREEMENTS BETWEEN SHAREHOLDERS, OF WHICH THE COMPANY IS AWARE, THAT MAY RESTRICT SHARE TRANSFERS OR THE EXERCISE OF VOTING RIGHTS.

None (see additional information in Section 6.3.5 on pages 262 *et seq.* of this Universal Registration Document).

6.5.7. 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 6.1.2 on pages 246 *et seq.* of this Universal Registration Document) and the Board's Internal Regulations (reproduced in full in Section 2.3.3.3 on pages 107 *et seq.* of this Universal Registration Document).

6.5.8. 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 6.1.2 on pages 246 *et seq.* of this Universal Registration Document) and the Board's Internal Regulations (reproduced in full in Section 2.3.3.3 on pages 107 *et seq.* of this Universal Registration Document).

The powers of the Board of Directors are described in Sections 2.2.3 on pages 73 *et seq.* and 2.3.3 on pages 94 *et seq.* of this Universal Registration Document.

The powers granted to the Board of Directors to increase or reduce the capital and to trade in the Company's shares as part of share buyback programmes are described in Section 6.2.2.2 on pages 255 *et seq.* of this Universal Registration Document.

6.5.9. AGREEMENTS ENTERED INTO BY THE COMPANY THAT WOULD BE AMENDED OR TERMINATED IN THE EVENT OF A CHANGE OF CONTROL OF THE COMPANY

The following agreements contain clauses allowing the Company's contracting partner to terminate the agreement in the event of a change of control of the Company, subject to certain conditions.

The "Euro PP" type bond issue totalling €80 million maturing in December 2020, which was placed privately by the Company during the 2014 financial year, contains provisions relating to a change of control of the Company. In particular, under these provisions, bond holders may require the early repayment of their bonds. The prospectus for this issue, approved by the Financial Markets Authority on 3 June 2014 under number 14-267, is available in English on Albioma's website (www.albioma.com) and the Financial Markets Authority's website (www.amf-france.org). Moreover, in the event of a change of control of the Company, the €40 million renewable credit facility repayable in 2019, taken out by the Company during the 2014 financial year, could be terminated (for the unused part) and the Company could be required to repay it early (for the sums used).

As regards the commitments entered into by the Group's subsidiaries, only the following would be affected by a change of control of the Company:

- the loan agreements entered into (or transferred) locally for the acquisition of Rio Pardo Termoelétrica (now Albioma Rio Pardo Termoelétrica) in Brazil;
- a lease agreement for land used by one of the Company's subsidiaries to run photovoltaic facilities on Reunion Island.

6.5.10. 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

As at the date of filing of this Universal Registration Document, there is no agreement in place that provides 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 and serious cause or if their jobs are eliminated as a result of a public offering, with the exception of the severance pay and the covenant not to compete applying to the Chief Executive Officer, pursuant to a decision of the Board of Directors at its meeting of 1 March 2016. These commitments, the key provisions of which are set out in Section 2.4.2.9 on pages 129 *et seq.* of this Universal Registration Document, were approved at the General Meeting of 24 May 2016.

6.6. Albioma shares

6.6.1. DATASHEET

ISIN code	FR0000060402
Loyalty bonus code[1]	FR0012332864
2021 loyalty bonus code[2]	FR0013374501
2022 loyalty bonus code[3]	FR0013459369
Ticker	ABIO
Par value	€0.0385
Listing market	NYSE – Euronext Paris, Compartment B
Deferred settlement service	Eligible
French Equity Savings Plan (PEA)	Eligible
French Equity Savings Plan-SME (PEA-PME)	Eligible

1. *Shares eligible for the increased dividend. See additional information in Section 6.6.3.3 on page 278 of this Universal Registration Document.*
2. *Shares eligible for the increased dividend payable in 2021 for the 2020 financial year. Shares using this code will automatically be assigned the following permanent loyalty bonus code from 2021: FR0012332864.*
3. *Shares eligible for the increased dividend payable in 2022 for the 2021 financial year. Shares using this code will automatically be assigned the following permanent loyalty bonus code from 2022: FR0012332864.*

6.6.2. STOCK MARKET PRICE

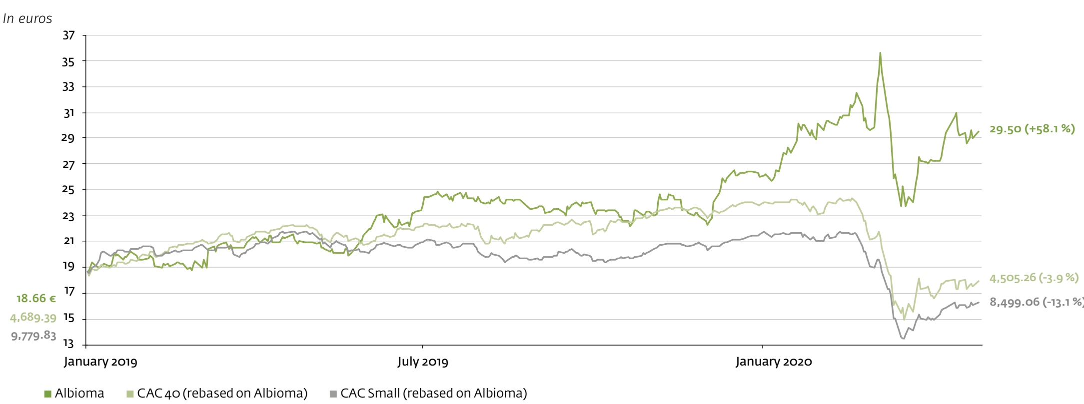
6.6.2.1. Market overview of Albioma stock

	Share price (in euros)				
2018	**Highest**	**Lowest**	**Average**	**Average daily trading (in number of shares)**	**Average daily trading (in euros)**
January	21.45	20.65	21.02	32,099	674,931
February	20.85	19.72	20.28	35,511	718,975
March	21.10	19.24	19.91	158,758	3,043,946
April	20.50	19.28	19.74	49,704	977,757
May	20.70	19.76	20.32	23,496	476,213
June	19.84	18.98	19.51	24,778	482,962
July	19.14	18.08	18.57	15,853	295,746
August	19.52	18.52	18.99	14,216	270,740
September	20.35	19.22	19.60	22,173	438,748
October	20.05	16.36	18.17	34,353	627,886
November	17.48	16.46	17.02	26,900	458,876
December	18.90	15.70	17.55	33,842	597,198

	Share price (in euros)				
2019	**Highest**	**Lowest**	**Average**	**Average daily trading (in number of shares)**	**Average daily trading (in euros)**
January	20.15	18.66	19.48	25,179	490,199
February	19.90	18.78	19.24	14,715	282,807
March	20.90	18.94	20.26	35,620	719,147
April	21.50	20.80	21.12	31,748	673,525
May	21.40	19.88	20.52	29,604	606,950
June	23.30	21.95	22.59	52,071	1,174,948
July	24.90	23.40	24.38	51,673	1,263,175
August	24.45	23.50	24.03	24,035	578,583
September	24.05	23.00	23.62	24,646	583,629
October	24.05	22.20	23.14	33,130	764,835
November	24.65	22.85	23.68	26,383	626,405
December	26.55	22.30	25.22	40,489	1,013,500

(data as at 27 April 2020)	Share price (in euros) Highest	Lowest	Average	Average daily trading (in number of shares)	Average daily trading (in euros)
January	30.10	25.65	28.10	50,036	1 ,419,058
February	32.55	29.60	30.62	55,824	1,701,909
March	35.60	23.70	28.01	115,772	3,375,198
April	31.00	27.20	28.81	46,245	1,330,966

6.6.2.2. Change in the Albioma share price between 1 January 2019 and 27 April 2020 and change in comparison to the CAC 40 and CAC Small indices



6.6.3. DIVIDEND

6.6.3.1. Dividend policy

The Group's policy is to continue increasing its dividend with a target payout of around 50% of net income, Group share, excluding non-recurring items. Under this policy, Albioma also offers its shareholders the possibility of receiving payment of 50% of the dividend in new shares.

The proposal made to the General Meeting of 29 May 2020 for a dividend of €0.70 per share, i.e., 8% up on the previous year, with an option for payment of the dividend in new shares, is in line with this dividend policy, with a corresponding payout rate of 49% of net income, Group share, excluding non-recurring items.

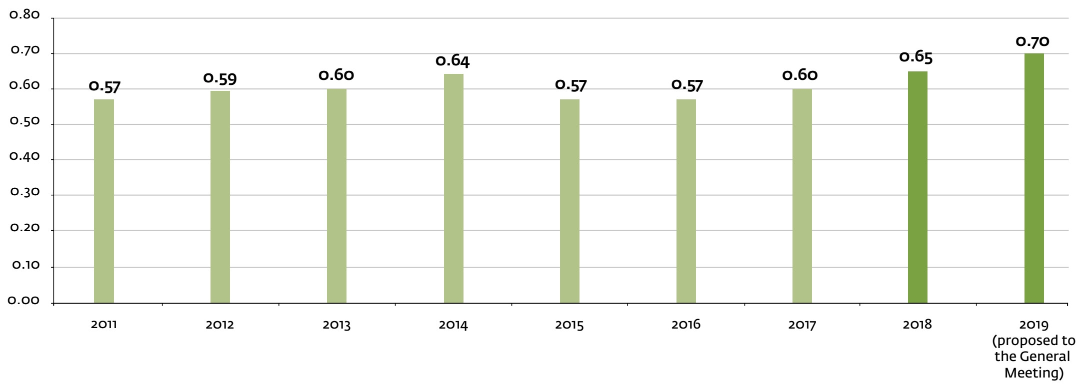
Moreover, Article 45 of the Memorandum and Articles of Association guarantees the shareholders a minimum dividend, known as the initial dividend, as soon as the profit made in a given financial year and the Company's balance sheet structure allow it, pursuant to applicable laws and regulations and the Memorandum and Articles of Association (the full text of this Article can be found in Section 6.1.2.4 on page 251 of this Universal 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 in an additional paid-in capital account.

If the profit for one financial year is not sufficient to pay this initial dividend, the shareholders shall not be able to claim it from the profit in subsequent years.

6.6.3.2. Change in the dividend (2011 to 2019 financial years)

In euros



6.6.3.3. Development of shareholder loyalty: increased dividend

Albioma sets great store by fostering the loyalty of its shareholders, whom it wished to involve in long-term value creation.

The 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 can be found in Section 6.1.2.4 on page 251 of this Universal Registration Document).

The loyalty bonus is granted to shareholders who have held registered shares for a continuous period of at least two years, meaning two calendar years. The loyalty bonus is granted in the form of a 10% increase in the dividend paid, rounded down to the nearest euro 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 is available both to holders of "direct" and "administered" registered shares. However, shareholders who decide to retain bearer shares shall not be eligible for this bonus. To qualify for a given calendar year, shareholders must apply to be registered as direct registered or administered registered shareholders by 15 December of the previous year.

Shareholders who are able to demonstrate uninterrupted direct or administered registration between 1 January 2018 and 31 December 2019 will therefore be eligible for an increased dividend for the 2019 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). Based on the proposed appropriation of earnings submitted to the General Meeting of 29 May 2020 for approval, the increased dividend will amount to €0.77 per share.

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, specific ISIN codes have been used to identify shares eligible for the increased dividend, for each financial year. These special identification codes do not affect the ISIN code for the Albioma share (FR0000060402), which is the only identification code visible on Euronext Paris that can be used when trading on this market (see the details provided in Section 6.6.1 on page 276 of this Universal Registration Document).

6.7. Financial communication, shareholder and investor 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. At the end of 2017, the quality of the Group's investor relations was recognised at the tenth Investor Relations Awards organised by IRCliff (French association of financial communication professionals). Albioma took third place in the "Best investor relations - mid caps" category.

6.7.1. NUMEROUS MEETINGS WITH FINANCE INDUSTRY PLAYERS

The website www.albioma.com should be the primary port of call for information and to find out more about developments at the Group. As required by the applicable legislative and regulatory provisions, all regulated information disclosed by Albioma will be posted on this website.

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.

For the specific purpose of preparing General Meetings, a series of discussions are held with French and foreign providers of voting recommendation services and our main shareholders, to ensure that the proposed resolutions meet the strictest industry requirements in terms of governance and respect of all shareholders' rights.

6.7.2. 2020 FINANCIAL CALENDAR

03/03/2020 (pre-trading)	Annual results for 2019
27/04/2020 (after trading)	First quarter 2020 revenue
29/05/2020	Annual General Meeting of shareholders
27/07/2020 (after trading)	First half 2020 results
28/10/2020 (after trading)	Third quarter 2020 revenue

6.7.3. ALBIOMA CONTACTS

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7

ORDINARY AND EXTRAORDINARY GENERAL MEETING **OF 29 MAY 2020**

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7.3.4. Report by the Statutory Auditors on the issue of ordinary shares and/or securities in the Company reserved for members of a company savings plan or a group savings plan (fifteenth resolution) 305

The General Meeting will be held on 29 May 2020 at 3 p.m., Paris time. In accordance with the provisions of Order No. 2020-321 of 25 March 2020, which adjusts the rules for meetings and deliberation of shareholders' meetings and governing bodies of legal persons and private law entities without a legal personality in respect of the Covid-19 epidemic, and in view of the lockdown measures in force in France on the date the General Meeting is convened, the Board of Directors has decided to hold the General Meeting behind closed doors, without the shareholders and other members of the General Meeting being physically present.

7.1. Agenda

7.1.1. ORDINARY MEETING

- Approval of the annual financial statements for the financial year ended 31 December 2019
- Approval of the consolidated financial statements for the financial year ended 31 December 2019
- Appropriation of income and setting of the dividend for the financial year ended 31 December 2019
- Option for payment of the dividend for the financial year ended 31 December 2019 in new shares
- Approval of the information relating to the remuneration of the corporate officers presented in the corporate governance report referred to in Article L. 225-37 of the French Commercial Code for the year ended 31 December 2019
- Approval of the remuneration due or awarded, for the financial year ended 31 December 2019, to Jacques Pétry, Chairman of the Board of Directors, (period 1 January to 27 May 2019)
- Approval of the remuneration due or awarded, for the financial year ended 31 December 2019, to Frédéric Moyne, Chief Executive Officer (period 1 January to 27 May 2019) then Chairman and Chief Executive Officer (period 27 May to 31 December 2019)
- Approval of the corporate officer remuneration policy as from 1 January 2020
- Approval of the agreements governed by Article L. 225-38 of the French Commercial Code
- Ratification of the provisional appointment by co-option of Frank Lacroix as Director for the remainder of the term of office of Jacques Pétry, who has resigned
- 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

7.1.2. 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
- Grant of authorisation to the Board of Directors to allot existing bonus performance shares to employees and executive corporate officers of the Company and some employees of its related companies
- Delegation of authority 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
- 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
- Amendment of the provisions of Articles 21 and 38 of the Memorandum and Articles of Association relating to the remuneration of Directors
- Powers to carry out formalities

7.2. Draft resolutions and report of the Board of Directors for the General Meeting

7.2.1. RESOLUTIONS PUT TO THE ORDINARY GENERAL MEETING

7.2.1.1. Resolutions 1, 2 and 3: approval of annual and consolidated financial statements, appropriation of income and setting of the dividend for the financial year ended 31 December 2019

Explanation

The purpose of the first and second resolutions is the approval of the annual and consolidated financial statements for the 2019 financial year. The Company's Statutory Auditors have produced the reports set out in Section 5.4 on pages 240 *et seq.* and Section 4.7 on pages 207 *et seq.* of the 2019 Universal Registration Document in relation to these financial statements.

The annual financial statements for the 2019 financial year record a net profit of €38.9 million, which represents a 39% increase compared with the 2018 financial year (€27.9 million). They are set out in full in Chapter 5 on pages 212 *et seq.* of the 2019 Universal Registration Document.

The consolidated financial statements for the 2019 financial year record a net income, Group share, of €44.1 million, which is stable compared with the 2018 financial year (€44.2 million). They are set out in full in Chapter 4 on pages 152 *et seq.* of the 2019 Universal Registration Document.

The third resolution relates to the appropriation of income for the 2019 financial year and the setting of the dividend. The Board of Directors proposes a dividend of €0.70 per share to the General Meeting, which is 8% more than the dividend paid for 2018 and represents a distribution rate of 49% of net income, Group share, for the 2019 financial year (excluding non-recurring items), which is consistent with the Group's policy of dividend growth, with an objective of distributing the equivalent of around 50% of net income, Group share, excluding non-recurring items.

Shares eligible for the 10% increase of the 2019 dividend will receive a dividend of €0.77 per share, within the limit of 0.5% of the capital per shareholder.

If the General Meeting approves the proposed amount, the shares will go ex-dividend on 11 June 2020 and the dividend will be paid on 10 July 2020.

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 shares.

The dividend is eligible for the 40% tax allowance pursuant to Article 158(3)(2) of the French Tax Code, when opted for and 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 annual financial statements for the financial year ended 31 December 2019

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 2019 (included in the 2019 Universal Registration Document) and the report of the Board of Directors for the General Meeting,
- the report of the Statutory Auditors on the annual financial statements for the financial year ended 31 December 2019,

approves the annual financial statements for the financial year ended 31 December 2019 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 €38,900 thousand,

and, pursuant to Article 223 *quater* of the French Tax Code, notes the absence of any of the expenses and charges referred to in Article 39(4) of the French Tax Code, which are non-deductible from taxable income for the financial year ended 31 December 2019.

Second resolution – Approval of the consolidated financial statements for the financial year ended 31 December 2019

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 2019 (included in the 2019 Universal Registration Document) 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 2019,

approves the consolidated financial statements for the financial year ended 31 December 2019 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 €44,105 thousand.

Third resolution – Appropriation of income and setting of the dividend for the financial year ended 31 December 2019

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 2019 (included in the 2019 Universal Registration Document) 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 2019, amounting to €38,900,257.08, as set out below:

In euros

SOURCE OF AMOUNTS TO BE APPROPRIATED	
Net income of the year	38,900,257.08
Retained earnings brought forward	98,753,945.79
Total	**137,654,202.87**
APPROPRIATION	
To the legal reserve	1,501.07
To payment of a dividend €0.70 per share	21,620,458.30
To retained earnings	116,032,243.50
Total	**137,654,202.87**

notes that:

- these amounts are calculated on the basis of the number of shares comprising the capital and the number of treasury shares held as at 31 December 2019, and may be adjusted to take into account the number of shares comprising the capital and the number of treasury shares held on the ex-dividend date,
- the distributable profit corresponding to the dividend not paid on treasury shares will be reposted as retained earnings,
- these amounts are calculated without the extra 10% dividend payable on eligible shares for the financial year ended 31 December 2019, and may be adjusted to take into account the actual number of shares eligible for this extra dividend on the ex-dividend date,

sets, accordingly, the dividend payable on each share with dividend rights at €0.70,

sets the ex-dividend date at 11 June 2020 and resolves that the dividend will be paid on 10 July 2020,

notes that this dividend is eligible for the 40% tax allowance pursuant to Article 158(3)(2°) of the French Tax Code, when opted for and in accordance with the terms and conditions laid down by applicable laws and regulations,

and notes that the following dividends have been distributed in respect of the last three financial years:

Financial year	Dividend per share (in euros)	Total dividend (in euros)	Reduction pursuant to Article 158 (3) (2°) of the French Tax Code
2016	0.57	17,152,074	40%
2017	0.60	18,325,973	40%
2018	0.65	20,015,667	40%

7.2.1.2. Resolution 4: option for payment of the dividend for the financial year ended 31 December 2019 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 2019 financial year, in new shares.

If the General Meeting approves this proposal, shareholders may opt for payment of 50% of the €0.70 dividend distributed pursuant to the third resolution, i.e. €0.35 per share, in cash or new shares.

Shares eligible for the extra 10% dividend for the 2019 financial year will receive a dividend of €0.77 per share, within the limit of 0.5% of the capital per shareholder, and the eligible shareholders may opt to receive payment of 50% of the increased dividend to be distributed pursuant to the third resolution, i.e. €0.385 per share, in cash or in 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 15 June 2020 and 6 July 2020 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. €0.70 per share (or, for shares eligible for the extra 10% dividend for the 2019 financial year, €0.77 per share).

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 opening price quoted on Euronext Paris in the 20 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 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 10 July 2020, at the same time as payment of the part of the share dividend payable in cash. Dividend and other rights will accrue from 1 January 2020.

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 2019 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 €0.70 per share, i.e. €0.35 per share (or, for shares eligible for the 10% dividend increase for the financial year ended on 31 December 2019 in accordance with Article 45(2) of the Company's Memorandum and Articles of Association, 50% of the distributable dividend of €0.77 per share, i.e. €0.385 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,
- this option must be exercised by the shareholder between 15 June 2020 and 6 July 2020 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 new 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 opening price quoted on the Euronext Paris market in the 20 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 part of the share dividend payable in cash, i.e. on 10 July 2020, and dividend and other rights will accrue from 1 January 2020,
- if 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 Euronext Paris market, amend the Memorandum and Articles of Association accordingly, and, more generally, to do whatever is necessary and appropriate.

7.2.1.3. Resolution 5: approval of the information relating to corporate officer remuneration presented in the corporate governance report referred to in Article L. 225-37 of the French Commercial Code for the year ended 31 December 2019

Explanation

The fifth resolution is presented to the General Meeting in accordance with the provisions of Law No. 2019-486 of 22 May 2019 on business growth and transformation, known as the PACTE Law, and Order No. 2019-1234 of 27 November 2019, which requires companies to ask their shareholders to approve, at a General Meeting, the information relating to corporate officer remuneration set out in the report on corporate governance referred to in Article L. 225-37 of the French Commercial Code.

Said report is set out in section 2.4 of the 2019 Universal Registration Document.

The Board of Directors invites shareholders to approve this resolution.

Fifth resolution – Approval of the information relating to corporate officer remuneration presented in the corporate governance report referred to in Article L. 225-37 of the French Commercial Code for the year ended 31 December 2019

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 the report on corporate governance referred to in Article L. 225-37 of the French Commercial Code for the year ended 31 December 2019,

approves the information relating to corporate officer remuneration presented in the corporate governance report referred to in Article L. 225-37 of the French Commercial Code, set out in section 2.4 of the 2019 Universal Registration Document.

7.2.1.4. Resolutions 6 and 7: approval of the remuneration due or awarded, for the financial year ended 31 December 2019, to Jacques Pétry, Chairman of the Board of Directors (until 27 May 2019), and Frédéric Moyne, Chief Executive Officer (until 27 May 2019) and then Chairman and Chief Executive Officer (as from 27 May 2019)

Explanation

The fifth and sixth resolutions are presented to the General Meeting in accordance with the provisions of Articles L. 225-100 and L. 225-37-3 of the French Commercial Code, which requires companies to ask their shareholders to approve, at a General Meeting, the fixed, variable and exceptional components of the remuneration and benefits paid or awarded to the corporate officers for the previous financial year.

The shareholders' vote will be a binding vote. If the shareholders vote against the resolutions put to them at the General Meeting, the officers will nevertheless receive the fixed components of their remuneration, but will not receive the variable and exceptional components.

The resolution put to the vote relates to the remuneration due or awarded for the 2019 financial year:

- to Jacques Pétry as Chairman of the Board of Directors (period 1 January to 27 May 2019);
- to Frédéric Moyne as Chief Executive Officer (period 1 January to 27 May 2019) then Chairman and Chief Executive Officer (period 27 May 2019 to 31 December 2019).

The vote will cover the following remuneration components:

- the remuneration due for the 2019 financial year, meaning the remuneration earned that is certain, both in terms of entitlement and the amount, whether or not paid;
- the remuneration awarded for the 2019 financial year, that is, remuneration in the form of securities and/or cash, the award of which is agreed although the 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 Jacques Pétry in respect of the performance of his duties as Chairman of the Board of Directors (period 1 January to 27 May 2019) and to Frédéric Moyne both in respect of the performance of his duties as Chief Executive Officer (period 1 January to 27 May 2019) and in respect of the performance of his duties as Chairman and Chief Executive officer (period 27 May to 31 December 2019), are described in detail in Section 2.4.2 on pages 120 *et seq.* of the 2019 Universal Registration Document.

The remuneration on which shareholders must vote is summarised below for each of the corporate officers.

Remuneration due or awarded, for the 2019 financial year, to Jacques Pétry, Chairman of the Board of Directors (period 1 January to 27 May 2019)

Remuneration	Amounts or estimates put to the vote (in thousands of euros)	Explanation
Fixed remuneration	40.2	Information on the fixed component of the remuneration granted to the Chairman of the Board of Directors for the 2019 financial year and changes in this remuneration can be found in Section 2.4.2.3 on page 122 of the 2019 Universal Registration Document.
Variable annual remuneration	n/a	No variable annual remuneration
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 bonus performance shares, stock options or any other form of long-term remuneration were awarded during the period in question.
Remuneration for exercise of duties as Director	n/a	No remuneration for exercise of duties as Director
Value of benefits in kind	1.9	Information on the benefits in kind granted to the Chairman of the Board of Directors for the 2019 financial year can be found in Section 2.4.2.3 on page 122 of the 2019 Universal Registration Document.
Severance pay	n/a	No severance pay
Compensation payable under a covenant not to compete	n/a	No compensation payable under a covenant not to compete
Supplementary retirement plan	n/a	There is no supplementary pension plan with the characteristics of commitments governed by Article R. 225-29-1 of the French Commercial Code.

Remuneration due or awarded, for the 2019 financial year, to Frédéric Moyne, Chief Executive Officer (period 1 January to 27 May 2019) then Chairman and Chief Executive Officer (period 27 May to 31 December 2019)

Remuneration	Amounts or estimates put to the vote (in thousands of euros)	Explanation
Fixed remuneration related to the exercise of the duties of Chief Executive Officer (period 1 January to 27 May 2019)	114.6	Information on the fixed component of the remuneration granted to the Chief Executive Officer (and, as from 27 May 2019, the Chairman and Chief Executive Officer) for the 2019 financial year and changes in this remuneration can be found in Section 2.4.2.4 on page 123 of the 2019 Universal Registration Document.
Fixed remuneration related to the exercise of the duties of Chairman and Chief Executive Officer (period 27 May to 31 December 2019)	209.2	Information on the fixed component of the remuneration allotted to the Chief Executive Officer (and, as from 27 May 2019, the Chairman and Chief Executive Officer) for the 2019 financial year and changes in this remuneration can be found in Section 2.4.2.4 on page 123 of the 2019 Universal Registration Document.
Variable annual remuneration	430.7	Information on the variable component of the remuneration granted to the Chief Executive Officer (and, as from 27 May 2019, the Chairman and Chief Executive Officer) for the 2019 financial year, the quantitative and qualitative criteria used to fix this amount and the cap on the qualitative component, can be found in Section 2.4.2.4 on page 124 of the 2019 Universal Registration Document.
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	Allotment of 30,620 bonus shares under the “2019” bonus performance share plan pursuant to resolutions adopted by the shareholders at the General Meeting of 30 May 2018. Information on share subscription or purchase plans and bonus performance share plans in operation as at the filing date of the 2019 Universal Registration Document can be found in Sections 2.4.2.8 on pages 127 *et seq.* and 6.4.3.1 on pages 268 *et seq.* of the 2019 Universal Registration Document.
Remuneration for exercise of duties as Director	n/a	No remuneration for exercise of duties as Director
Value of benefits in kind	41.1	Information on the benefits in kind granted to the Chief Executive Officer (and, as from 27 May 2019, the Chairman and Chief Executive Officer) for the 2019 financial year can be found in Section 2.4.2.4 on page 125 of the 2019 Universal Registration Document.
Severance pay	n/a	Information on the severance payment potentially payable to Frédéric Moyne if he had been removed from the office of Chief Executive Officer or his appointment had not been renewed can be found in Section 2.4.2.9 on pages 129 *et seq.* of the 2019 Universal Registration Document. At the General Meeting of 24 May 2016 the shareholders most recently approved, on the basis of the special report of the Statutory Auditors, the terms and conditions of this severance payment decided by the Board of Directors at its meeting of 1 March 2016 (6th resolution).
Compensation payable under a covenant not to compete	n/a	Information on compensation under a covenant not to compete potentially payable to Frédéric Moyne if he ceases to hold office as Chief Executive Officer can be found in Section 2.4.2.9 on pages 129 *et seq.* of the 2019 Universal Registration Document. At the General Meeting of 24 May 2016, the shareholders most recently approved, on the basis of the special report of the Statutory Auditors, the terms and conditions of this compensation under a covenant not to compete decided by the Board of Directors at its meeting of 1 March 2016 (7th resolution).
Supplementary retirement plan	n/a	There is no supplementary pension plan with the characteristics of commitments governed by Article R. 225-29-1 of the French Commercial Code.

The Board of Directors invites shareholders to approve these resolutions.

Sixth resolution – Approval of the remuneration due or awarded, for the financial year ended 31 December 2019, to Jacques Pétry, Chairman of the Board of Directors (period 1 January to 27 May 2019)

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 the report on corporate governance referred to in Article L. 225-37 of the French Commercial Code for the year ended 31 December 2019,

approves the remuneration due or awarded for the financial year ended 31 December 2019 to Jacques Pétry, Chairman of the Board of Directors (period 1 January to 27 May 2019), as presented in section 2.4 of the 2019 Universal Registration Document and as reiterated in the report by the Board of Directors to the General Meeting set out in section 7.2 of the said Universal Registration Document.

Seventh resolution – Approval of the remuneration due or awarded, for the financial year ended 31 December 2019, to Frédéric Moyne, Chief Executive Officer (period 1 January to 27 May 2019) then Chairman and Chief Executive Officer (period 27 May to 31 December 2019)

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 the report on corporate governance referred to in Article L. 225-37 of the French Commercial Code for the year ended 31 December 2019,

approves the remuneration due or awarded for the financial year ended 31 December 2019 to Frédéric Moyne, both in respect of his duties as Chief Executive Officer (period 1 January to 27 May 2019) and as Chairman and Chief Executive officer (period 27 May to 31 December 2019), as presented in section 2.4 of the 2019 Universal Registration Document and as reiterated in the report by the Board of Directors to the General Meeting set out in section 7.2 of the said Universal Registration Document.

7.2.1.5. Resolution 8: approval of the corporate officer remuneration policy as from 1 January 2020

Explanation

The eighth resolution is presented to the General Meeting in accordance with the provisions of Article L. 225-37-2 of the French Commercial Code, which requires companies to ask their shareholders to approve, at a General Meeting, the corporate officer remuneration policy as from 1 January 2020.

Approval of the shareholders at a General Meeting is required each year and whenever a significant change is made to the remuneration policy. The shareholders' vote will be a binding vote. If the General Meeting votes against this resolution, the remuneration policy approved by the General Meeting of 27 May 2019 will continue to apply; the Board of Directors will be responsible for submitting for approval at the next General Meeting a draft resolution presenting a revised remuneration policy and indicating how the shareholders' votes have been taken into consideration and, where relevant, the opinions expressed at the General Meeting.

No remuneration of any kind may be awarded or paid to the corporate officers, and no commitment corresponding to remuneration, compensation or benefits due or likely to be due as a result of the taking up, cessation of or change in their duties or subsequent to the exercise of such duties, may be taken if it is not in accordance with the remuneration policy submitted for approval by the shareholders under this resolution or, failing approval of said remuneration policy, with the remuneration policy approved by the General Meeting of 27 May 2019. However, under exceptional circumstances, the Board of Directors may derogate from application of the remuneration policy if such derogation is temporary, in the Company's interest and necessary to guarantee the Company's long-term survival or viability.

The resolution put to the vote relates to the remuneration policy applicable to:

- the executive corporate officers (as at the filing date of the 2019 Universal Registration Document, Frédéric Moyne, as regards the exercise of his duties as Chairman and Chief Executive Officer);
- the non-executive corporate officers (as at the filing date of the Universal Registration Document, the Directors other than the Chairman and Chief Executive Officer).

The corporate officer remuneration policy as from 1 January 2020 was drawn up by the Board of Directors on the basis of the recommendations of the Nomination, Remuneration and Governance Committee. It is presented in detail in Section 2.4.3 on pages 131 *et seq.* of the 2019 Universal Registration Document, and summarised below.

Executive corporate officer remuneration policy as from 1 January 2020

Remuneration	Principles and criteria applied to determine, allocate and award remuneration submitted for approval	Implementation for the 2020 financial year
Fixed and variable annual remuneration	The corporate officers' annual remuneration is comprised of a fixed remuneration and, for the executive corporate officers only, a variable component based on the achievement of demanding quantitative and qualitative financial and non-financial objectives, determined at the start of the year in line with the strategy approved by the Board of Directors. Non-executive corporate officers do not receive any variable remuneration. The fixed remuneration payable to corporate officers and the methods used to determine the variable remuneration payable to executive corporate officers (in particular the financial and non-financial quantitative and qualitative objectives they will be required to achieve) are determined by the Board of Directors on the basis of recommendations by the Nomination, Remuneration and Governance Committee, developed on the basis of an analysis of a panel of comparable companies and the performance of the senior executives. The fixed remuneration received by corporate officers is reviewed every two or three years.	**Chairman and Chief Executive Officer** All-inclusive gross annual fixed remuneration of €350,000, payable in 12 instalments, plus variable remuneration capped at 133% of the fixed remuneration in respect of 2020, the target variable remuneration remaining set at 100% of the fixed remuneration. Payment of this variable remuneration will be subject to the shareholders voting, at the General Meeting held in 2021 to vote on the financial statements for the 2019 financial year, in favour of the remuneration allocated to the Chairman and Chief Executive Officer for the 2020 financial year. See additional information in Section 2.4.3 on pages 131 *et seq.* of the 2019 Universal Registration Document.
Bonus performance share plans and options to subscribe or purchase shares	The Company's remuneration policy does not provide for any long-term incentive programmes of any type whatsoever for the non-executive corporate officers. The long-term incentive programme for executive corporate officers takes the form of the allotment of bonus performance shares or options to subscribe or purchase shares, depending inter alia on the tax and employment rules that apply at the time they are allotted. The aim of this long-term incentive programme is to ensure that the interests of the executive corporate officers remain in line with those of the shareholders. Vesting of the performance shares awarded, or exercise of options to subscribe or purchase shares, as the case may be, is subject to exacting performance conditions, combining internal criteria and external criteria which, as far as is possible, are measured while taking into consideration the performance of the Company and its Group compared to its market environment. The existing plans cover performance over at least three years. Based on the recommendations of the Nomination, Remuneration and Governance Committee, the Board of Directors determines the bonus performance shares and options to subscribe or purchase shares to be allotted to the executive corporate officers, ensuring, in particular, that these allotments, valued in accordance with IFRS 2, do not represent a disproportionate portion of the officers' total remuneration and that the portion of the allotments reserved for executive corporate officers within a plan is in accordance with market practices. If a corporate officer stands down or is removed from office before the end of the vesting period for the performance shares or the options, the allotment will be cancelled, other than in those cases when the special rules relating to death or disability apply.	**Chairman and Chief Executive Officer** Allotment of 29,076 rights under the "2020" bonus performance share plan implemented by the Board of Directors under the resolutions adopted by the General Meeting of 30 May 2018, slightly lower than the allotment decided in 2018 based on the same authorisation, noting that the award to the Chief Executive Officer is capped at 10% of the said authorisation for the three-year period covered by it. See additional information in Sections 2.4.3 on page 132 and 6.4.3.1 on page 272 of the 2019 Universal Registration Document.
Welcome packages	The Company's remuneration policy does not provide for the payment of a welcome package to corporate officers.	**Chairman and Chief Executive Officer** Not applicable.
Remuneration and commitments on departure	Executive corporate officers may benefit from certain commitments when they cease to hold office, such as severance pay and/or compensation paid under a covenant not to compete. The terms, conditions and amounts comply with the recommendations set out in the AFEP-MEDEF Corporate Governance Code.	**Chairman and Chief Executive Officer** Severance pay in the event of removal from office or non-renewal of his appointment approved at the General Meeting of 24 May 2016 on the basis of the special report by the Statutory Auditors (see additional information in Sections 2.4.3 on page 133 and 2.4.2.9 on pages 129 *et seq.* of the 2019 Universal Registration Document). Compensation under a covenant not to compete in the event he ceases to hold office approved at the General Meeting of 24 May 2016 on the basis of the special report by the Statutory Auditors (see additional information in Sections 2.4.3 on page 133 and 2.4.2.9 on pages 129 *et seq.* of the 2019 Universal Registration Document).

Remuneration	Principles and criteria applied to determine, allocate and award remuneration submitted for approval	Implementation for the 2020 financial year
Remuneration under agreements concluded with the Company or its Group	The Company's remuneration policy does not provide for the payment of remuneration to corporate officers under any agreement concluded with the Company or its Group. If a corporate officer held a contract of employment prior to his or her appointment, the contract is terminated or, if justified by special circumstances, suspended.	**Chairman and Chief Executive Officer** None.
Benefits in kind, welfare and retirement benefits	The benefits in kind received by corporate officers are limited to use of a company car and 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). This includes the reintegration of contributions to insurance welfare plans available within the Group with which they are registered (covering healthcare, incapacity, disability and death). If their personal circumstances permit this, corporate officers are registered with the insurance welfare plan (covering healthcare, incapacity, disability and death) and the mandatory defined contribution supplementary pension plan, like all the Company's employees.	**Chairman and Chief Executive Officer** See additional information in Section 2.4.3 on page 133 of the 2019 Universal Registration Document.
Other remuneration	The Company's remuneration policy does not provide for the payment of any other type of remuneration to corporate officers. More specifically, they do not receive any remuneration in any form whatsoever from the Company's subsidiaries or any companies that control it.	**Chairman and Chief Executive Officer** None.

Non-executive corporate officer remuneration policy as from 1 January 2020

Remuneration	Principles and criteria applied to determine, allocate and award remuneration submitted for approval	Implementation for the 2020 financial year
Remuneration for exercise of duties as Director	Non-executive corporate officers receive remuneration solely for the exercise of their duties as Directors. The maximum amount to be allocated between the Directors in this regard is set by the General Meeting, and the actual apportionment of this amount between Directors is decided by the Board of Directors alone, in view of recommendations by the Nomination, Remuneration and Governance Committee. Amounts allocated may reflect specific tasks assigned to certain Directors, in which case the Directors may not all receive the same amount. Only independent Directors receive this remuneration. The main portion constitutes variable remuneration, paid to reward actual attendance of meetings of the Board of Directors and of its specialised Committees.	**Independent Directors** All-inclusive fixed remuneration of €12,000 per financial year, plus, for independent Directors chairing a specialised Committee, additional fixed remuneration of €6,000 per financial year and per Committee chaired. Variable remuneration of €1,700 per meeting of the Board of Directors (provided they actually participate in the meeting), up to a maximum of €11,900 per Director per annum, and of €850 per meeting of a specialised Committee (provided they actually participate in the meeting), up to a maximum of €5,950 per Director per annum for the Commitments Committee and of €3,400 per Director per annum for the other Committees. **Lead Director** All-inclusive fixed remuneration of €10,000 per financial year. **Other Directors** None.
Other remuneration	The Company's remuneration policy does not provide for the payment of any other type of remuneration to non-executive corporate officers. More specifically, they do not receive any remuneration in any form whatsoever from the Company's subsidiaries or any companies that control it.	**Independent Directors** None. **Lead Director** None. **Other Directors** None.

The Board of Directors invites shareholders to approve this resolution.

Eighth resolution – Approval of the corporate officer remuneration policy as from 1 January 2020

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 the report on corporate governance referred to in Article L. 225-37 of the French Commercial Code for the year ended 31 December 2019,

approves the corporate officer remuneration policy as presented in the report on corporate governance referred to in Article L. 225-37 of the French Commercial Code for the year ended 31 December 2019, as set out in section 2.4 of the 2019 Universal Registration Document and summarised in the report of the Board of Directors for the General Meeting set out in section 7.2 of said Universal Registration Document.

7.2.1.6. Resolution 9: approval of the agreements governed by Article L. 225-38 of the French Commercial Code

Explanation

The purpose of the ninth resolution is to note the fact that the Board of Directors did not authorise any regulated agreements governed by Article L. 225-38 of the French Commercial Code during the 2019 financial year.

The Statutory Auditors have issued a special report recording the absence of any agreements governed by Article L. 225-38 of the French Commercial Code and requiring the approval of the General Meeting, set out in Section 2.7.2 on pages 136 of the 2019 Universal Registration Document. Following the repeal by Order No. 2019-1234 of 27 November 2019 of Article L. 225-42-1 of the French Commercial Code, which required remuneration related to corporate officers leaving office to be subject to the regulated agreements procedure, said report no longer includes details of the continuing effects of the severance pay and the compensation under a covenant not to compete to which Frédéric Moyne could be entitled if he ceased to hold office as Chief Executive Officer.

The Board of Directors invites shareholders to approve this resolution.

Ninth resolution – Approval of the agreements governed by Article L. 225-38 of the French Commercial Code

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 of the French Commercial Code,

notes the fact that no agreements governed by Article L. 225-38 of the French Commercial Code and not yet approved by the General Meeting were authorised by the Board of Directors during the financial year ended 31 December 2019.

7.2.1.7. Resolution 10: ratification of the provisional appointment by co-option of Frank Lacroix as Director

Explanation

The purpose of the tenth resolution is to ratify the provisional appointment by co-option of Frank Lacroix as Director. It follows the Board of Directors' meeting of 27 May 2019, at which the Board, on the recommendation of the Nomination, Remuneration and Governance Committee, decided to co-opt Frank Lacroix as Director for the remainder of the term of office of Jacques Pétry, who resigned, namely until the close of the General Meeting called in 2021 to vote on the financial statements for the 2020 financial year.

Frank Lacroix is an engineer and a graduate from the École Centrale de Marseille. He joined SNCF in 2016 where he is Head of Regional Train Operations at SNCF Mobilités. Following a long career in the energy sector, Frank Lacroix was Chairman and Chief Executive Officer of Dalkia Group from 2011 to 2014, and a member of the Executive Committee of Veolia, where he held the positions of Head of Low Current and Public Lighting, Regional Operations Manager, Chief Operating and Technical Officer for Dalkia Group and CEO France for the same group. In July 2014, upon termination of EDF's and Veolia's strategic partnership with respect to Dalkia, he joined EDF Group and held the positions of Vice-President for R&D and Vice-President Europe in the International Division.

The Board of Directors has reviewed Frank Lacroix's situation and considers that he qualifies as an independent Director. Frank Lacroix does not have any direct or indirect business relationship with the Company or its Group.

The Board of Directors invites shareholders to approve this resolution.

Additional information

Frank Lacroix

- Born on 18 August 1964, of French nationality
- Main position held outside the Group at 31 December 2018 (when the position held within the Group is not the main position): Head of Regional Train Operations at SNCF Mobilités
- Business address: SNCF Mobilités, Direction Générale TER, Campus Infinity, 116 cours Lafayette, CS13511, 69489 Lyon Cedex 03
- He holds 400 Albioma shares on the date of filing of the 2019 Universal Registration Document

Other offices and positions held as at the filing date of the 2019 Universal Registration Document	
WITHIN THE ALBIOMA GROUP	
None	
OUTSIDE THE ALBIOMA GROUP	
Union des Transports Publics et Ferroviaires	Director
Fondation SNCF	Director
E-Voyageurs.SNCF SAS	Director

Other offices and positions held during the last five years, expired as at the filing date of the 2019 Universal Registration Document		Expiry
WITHIN THE ALBIOMA GROUP		
None		
OUTSIDE THE ALBIOMA GROUP		
Veolia SGPS Portugal (Portugal)	Director	2016
Fondation d'entreprise VE	Representative of the Founding Members	2015
Fondation Veolia France	Director	2015

Tenth resolution – Ratification of the provisional appointment by co-option of Frank Lacroix as Director for the remainder of the term of office of Jacques Pétry, who has resigned

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 provisional appointment by co-option of Frank Lacroix as Director for the remainder of the term of office of Jacques Pétry, who has resigned i.e. until the end of the General Meeting to be held in 2021 to approve the financial statements for the year ended 31 December 2020.

7.2.1.8. Resolution 11: 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 purpose of the eleventh resolution is 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.

During the 2019 financial year, the Board of Directors held two successive authorisations to buy back the Company's own shares within the framework of a share buyback programme, granted by the General Meetings of 30 May 2018 and 27 May 2019. The authorisation granted on 27 May 2019 invalidated the unused part of the authorisation granted on 30 May 2018.

During the 2019 financial year, shares were bought back pursuant to these authorisations in order to allow Rothschild Martin Maurel to implement a liquidity contract designed to improve liquidity of the Albioma share on the Euronext Paris market (see further information in Section 6.3.6.2 on pages 263 *et seq.* of the 2019 Universal Registration Document).

Detailed information on the Board of Directors' use of these authorisations can be found in Sections 6.2.2.2 on pages 255 *et seq.* and 6.3.6.2 on pages 263 *et seq.* of the 2019 Universal Registration Document.

The Board of Directors proposes that the General Meeting renew the existing authorisation, granted on 27 May 2019, for a period of 18 months and cancel the unused part of the 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 bonus share plans, stock option 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 twelfth 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 accepted or recognised by the law or the AMF and, more generally, the fulfilment of any other objective allowed by applicable regulations.

The maximum number of shares that may be purchased under this authorisation may not exceed 10% of the 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 capital. As an exception to the above, the maximum 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 capital on the date of purchase.

The aggregate purchases, net of costs, may not exceed €35 million. The maximum purchase price per share may not exceed €45, 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, including through block trades, although trading in options and derivatives is prohibited.

In the event of a public offering for the Company's shares, this authorisation will be suspended automatically during the offer period.

A description of this share buyback programme can be found in Section 6.3.6.2 on page 265 of the 2019 Universal Registration Document.

The Board of Directors invites shareholders to approve this resolution.

Eleventh 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 Articles L. 225-209 *et seq.* of the French Commercial Code, Articles 241-1 to 241-6 of the French Financial Markets Authority's (AMF) General Regulation and EC Regulation no. 596/2014 of the European Parliament and the Council of 16 April 2014 on market abuse, 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 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 French Commercial Code, all stock option plans for the purchase of Company shares in accordance with Article L. 225-177 *et seq.* of the French 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 twelfth 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 applicable laws and regulations,
- to implement any other market practices accepted or recognised by the law or the AMF and, more generally, to achieve any other objective allowed by applicable regulations,

resolves that this authorisation may be implemented subject to the following terms and conditions:

- the maximum number of shares that can be purchased may not exceed 10% of the number of shares comprising the 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 capital on the date of purchase,
- the aggregate purchases, net of costs, may not exceed €35 million.
- the maximum purchase price per share must not exceed €45, and in the event of capital transactions such as the capitalisation of reserves followed by the issue and allotment of 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, 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. There is no limit on the proportion of securities subject to block trading, and block trades may account for the entire share buyback programme. However, trading in options or derivatives is prohibited,

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 authorisation 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 27 May 2019,

resolves that in the event of a public offering for the Company's shares, this authorisation will be suspended automatically during the offer period.

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.

7.2.2. RESOLUTIONS PUT TO THE EXTRAORDINARY GENERAL MEETING

7.2.2.1. Resolution 12: 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 purpose of the twelfth resolution is 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 7.3.1 on page 303 of the 2019 Universal Registration Document.

The Board of Directors has not used the existing authorisation, granted to it by the General Meeting at its meeting of 27 May 2019.

The Board of Directors proposes that the General Meeting renew 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 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, within the limit of 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.

Twelfth 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 twelfth resolution,

resolves to authorise the Board of Directors, in accordance with Article L. 225-209 *et seq.* of the French 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 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 27 May 2019,

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.

7.2.2.2. Resolution 13: grant of authorisation to the Board of Directors to allot existing bonus performance shares to employees and executive corporate officers of the Company and some employees of its related companies

Explanation

The purpose of the thirteenth resolution is to authorise the Board of Directors to allot existing bonus performance shares to the Company's employees and executive corporate officers (namely, at the filing date of the 2019 Universal Registration Document, the Chairman and Chief Executive Officer) and to certain employees of its related companies.

The Statutory Auditors have issued a report on this resolution, set out in Section 7.3.2 on pages 303 *et seq.* of the 2019 Universal Registration Document.

This resolution is consistent with the policy to offer long-term incentives to Group employees and corporate officers, which was first introduced in 2012, and has led to the introduction of bonus performance share plans in 2012, 2014, 2016 and, most recently, of a three-year framework covering the 2018, 2019 and 2020 financial years. Only those plans introduced under said three-year framework for managers (including the Chairman and Chief Executive Officer) and administrative staff of the Company and certain subsidiaries, were in operation at the filing date of the 2019 Universal Registration Document.

Accordingly, a new bonus performance share plan needs to be set up in 2021 to foster loyalty and motivate the Group's key employees, and to align Group interests with those of its shareholders.

The Board of Directors asks the General Meeting to authorise it, for a 38-month period, to allot a maximum of 846,000 bonus performance shares, representing approximately 2.7% of the capital as at 31 December 2019.

If the General Meeting grants the Board of Directors authorisation, the bonus performance shares would be available to a limited number of employees and corporate officers of the Company and of some of its subsidiaries under three successive plans, to be introduced over three years from 2021, each of which would award one-third of the maximum number of performance shares that may be awarded pursuant to the authorisation. The total number of performance shares that could be allotted to the Company's executive corporate officers (namely, at the filing date of the 2019 Universal Registration Document, the Chairman and Chief Executive Officer) will be limited to 10% of the authorisation, i.e. a maximum of 84,600 performance shares.

For each plan, vesting of the shares will be subject to the achievement of performance conditions at the end of a three-year vesting period. Vested shares must be held for at least one year, although the Company's executive corporate officers (namely, at the filing date of the 2019 Universal Registration Document, the Chairman and Chief Executive Officer) will be required to keep at least 25% of vested performance shares in registered form until they cease to hold office.

It is intended that vesting of the shares under each of the plans introduced would depend upon the satisfaction of internal and external performance conditions based on growth in EBITDA, growth in consolidated net income per share, performance with respect to total shareholder return, and the increase in the proportion of the Group's total electricity production corresponding to renewable energies. These criteria will be measured over periods of three financial years from the start of each plan.

Under each plan envisaged, the performance conditions would be combined with a requirement that the employees remain in employment during the vesting period. The Board of Directors would nevertheless be entitled to set longer vesting periods for employees who are not French tax residents, without a lock-in period if appropriate. Lastly, performance shares could vest before the end of the vesting period if beneficiaries are classed as disabled, in the second or third category defined in Article L. 341-4 of the Social Security Code, in which case the performance shares would be immediately transferable.

If the General Meeting grants this authorisation, the Board of Directors will determine the identity of the persons to whom the performance shares will be allotted. Its decision will be based on proposals by Executive Management previously referred to the Nomination, Remuneration and Governance Committee for an opinion, in accordance with the rules set out above, which were adopted by the Board of Directors on the basis of recommendations by the Nomination, Remuneration and Governance Committee.

Performance shares vested and awarded under any of these plans in the event of the achievement of performance conditions will be shares previously held by the Company, and will not be issued as the result of a capital increase.

The Board of Directors will report on its use of this authorisation at the next Ordinary General Meeting, in accordance with applicable laws and regulations.

The Board of Directors invites shareholders to approve this resolution.

Thirteenth resolution – Grant of authorisation to the Board of Directors to allot existing bonus performance shares to employees and executive corporate officers of the Company and some employees of its 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 thirteenth resolution,

in accordance with the provisions of Article L. 225-197-1 *et seq.* of the French 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 shares in the Company, in one or more allotments, to salaried employees and executive corporate officers of the Company and to salaried employees of companies or groupings that are directly or indirectly related to the Company in accordance with Article L. 225-197-1 *et seq.* of the French Commercial Code,

resolves that the number of bonus shares that may be allotted pursuant to this authorisation may not exceed 846,000 shares (i.e. approximately 2.7% of the capital as at 31 December 2019), subject to regulatory adjustments required to protect beneficiaries' rights,

resolves that the number of bonus shares that may be allotted to the Company's executive corporate officers pursuant to this authorisation may not exceed 84,600 shares (i.e. 10% of the aggregate cap applicable to this authorisation), subject to regulatory adjustments required to protect beneficiary rights,

resolves that the Board of Directors will determine the identity of the beneficiaries, the number of shares to be allotted to each of them, and the allotment conditions,

resolves that the allotted shares will only vest subject to the satisfaction of internal and/or external performance conditions, at the end of a minimum vesting period of three years combined with a minimum lock-in period of one year, on the understanding that the Board of Directors will be entitled, for employees who are not French tax residents, to impose a longer vesting period prior to vesting of the shares, without a lock-in period if appropriate, resolves that shares may vest before the end of the vesting period if beneficiaries are classed as disabled, in the second or third category defined in Article L. 341-4 of the Social Security Code, in which case the shares will be immediately transferable.

notes that the Company's executive corporate officers will be required to keep at least 25% of vested shares in registered form until they cease to hold office,

authorises the Board of Directors, where applicable, to adjust the number of bonus shares allotted during the vesting 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),

resolves to grant this authorisation for a period of 38 months, with effect from the date of this General Meeting,

notes that the Board of Directors shall be required to report on its use of this authorisation at the next Ordinary General Meeting, 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 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 vesting and lock-in periods for the allotted shares, in accordance with the principles set out in the Board of Directors' report to the General Meeting,
- decide the terms and conditions under which the number of bonus shares allotted will be adjusted, in accordance with applicable laws and regulations, and
- take such steps as are appropriate and enter into any agreements to implement this authorisation, in particular to ensure the successful completion of the planned share allotments, carry out all formalities and file all statements relevant for the allotment of the shares as well as the exercise of the rights attached thereto and request any and all permissions that prove necessary.

7.2.2.3. Resolution 14: 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

Explanation

The purpose of the fourteenth resolution is to grant a delegation of powers to the Board of Directors to issue, with waiver of preferential subscription rights, ordinary shares and/or securities giving immediate or subsequent access to capital of the Company and/or of a company in which the Company holds, directly or indirectly, more than half of the capital, for the purposes of remunerating contributions in kind made to the Company.

The Statutory Auditors have issued a report on this resolution, set out in Section 7.3.3 on pages 304 *et seq.* of the 2019 Universal Registration Document.

The Board of Directors proposes that the General Meeting grant this delegation for a period of 26 months.

If the General Meeting approves this proposal, the Board of Directors will have the authority, with the power to sub-delegate, to issue shares and/or securities giving immediate or subsequent access to the capital of the Company and/or of a company in which the Company holds, directly or indirectly, more than half of the capital, to remunerate contributions in kind made to the Company and comprising capital securities or securities giving access to capital (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 maximum 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 cap of 30% referred to in the fifteenth resolution approved by the General Meeting of 27 May 2019. 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 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 respect of ordinary shares in the Company to which said holders may be entitled under the rights attaching to said securities, in favour of the holders of the securities issued.

In the event of a public offering for the Company's shares, this authorisation will be suspended automatically during the offer period.

The Board of Directors invites shareholders to approve this resolution.

Fourteenth 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

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.*, Article L. 225-91 *et seq.* and Article L. 225-147 of the French 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 French Commercial Code, to issue ordinary shares in the Company and/or securities giving immediate or subsequent access, by any means, to the the capital of the Company and/or of a company in which the Company holds, directly or indirectly, more than half of the capital, in order to remunerate contributions in kind made to the Company and comprising capital securities or other securities when the provisions of Article L. 225-148 of the French Commercial Code on contributions of securities pursuant to a public exchange offer do not apply,

resolves that the maximum 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 cap of 30% of the capital set in the fifteenth resolution of the General Meeting of 27 May 2019,
- 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,

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,

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 French Commercial Code to shareholders at the next General Meeting, pursuant to the provisions of Article R. 225-136 of the French Commercial Code,

resolves that in the event of a public offering for the Company's shares, this delegation will be suspended automatically during the offer period,

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 French 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,

- unilaterally decide to 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 their 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.

7.2.2.4. Resolution 15: 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 purpose of the fifteenth resolution is 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 7.3.4 on pages 305 *et seq.* of the 2019 Universal Registration Document.

The Board of Directors has not used the existing delegation, granted to it by the General Meeting at its meeting of 27 May 2019.

The Board of Directors proposes that the General Meeting renew this delegation for a period of 26 months.

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 maximum nominal amount of the capital increases that may be carried out under this delegation may not exceed 0.75% of the capital on the date on which the issue is decided. This amount will be applied against the aggregate cap of 30% provided for in the fifteenth resolution approved by the General Meeting of 27 May 2019, it being understood that the aggregate nominal amount of the capital increases that may result from this delegation and the delegation granted to the Board of Directors by the seventeenth resolution approved by the General Meeting of 27 May 2019 may not exceed 0.75% of the share capital on the date of the issuance decision 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 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 70% of the average opening price of the Company's shares on Euronext Paris in the 20 trading days prior to the date of the Board of Directors' decision setting the date on which the subscription period opens (or 60% of the same average price when the lock-in period provided in the plan pursuant to Articles L. 3332-19 and L. 3332-21 of the Labour Code is ten years or more).

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.

In the event of a public offering for the Company's shares, this authorisation will be suspended automatically during the offer period.

The Board of Directors invites shareholders to approve this resolution.

Fifteenth 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 fifteenth resolution,

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 French 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 access to capital, immediately or in the future, to members of 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 French 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 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 70% of the average opening price of the Company's shares on Euronext Paris in the 20 trading days prior to the date of the Board of Directors' decision setting the date on which the subscription period opens (or 60% of the same average price when the lock-in period provided in the plan pursuant to Articles L. 3332-19 and L. 3332-21 of the Labour Code is ten years or more).

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 maximum nominal amount of the capital increases that may be carried out under this delegation may not exceed 0.75% of the Company's capital on the date on which the issue is decided, 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 cap of 30% of the capital set by the fifteenth resolution approved by the General Meeting of 27 May 2019, it being understood that the aggregate nominal amount of the capital increases that may be carried out under this delegation and the delegation granted to the Board of Directors by the seventeenth resolution approved by the General Meeting of 27 May 2019 may not exceed 0.75% of the capital on the date of the issuance decision,
- 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, 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
- if applicable, the discount,

and 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, 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,

resolves that in the event of a public offering for the Company's shares, this delegation will be suspended automatically during the offer period,

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,
- unilaterally decide to 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 their 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 prove necessary for the carrying out and successful completion of these issues.

7.2.2.5. Resolution 16: amendment of the provisions of Articles 21 and 38 of the Memorandum and Articles of Association relating to the remuneration of Directors

Explanation

The purpose of the sixteenth resolution is to amend the provisions of Articles 21 and 38 of the Memorandum and Articles of Association relating to the remuneration of Directors.

The aim of these amendments is to bring the Memorandum and Articles of Association into compliance with the new provisions of Law No. 2019-486 of 22 May 2019 on business growth and transformation, known as the PACTE Law, which replaces the term "directors fees" with the term "remuneration" in its provisions relating to Directors' remuneration.

These amendments do not have any impact on the Directors' remuneration procedures, which are governed by the corporate officer remuneration policy drawn up by the Board of Directors on the basis of the recommendations of the Nomination, Remuneration and Governance Committee.

The Board of Directors invites shareholders to approve this resolution.

Sixteenth resolution – Amendment of the provisions of Articles 21 and 38 of the Memorandum and Articles of Association in order to change the terminology used to refer to Directors' remuneration following the entry into force of the PACTE Law

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 21 of the Memorandum and Articles of Association, which will read as follows:

"By way of remuneration for their duties, the Directors shall receive remuneration, the overall amount of which will be set by the General Meeting. The individual amounts to be paid to the Directors in this respect, based on their duties and actual attendance at Board and Committee meetings, shall be set by the Board of Directors."

resolves, in addition, to amend Article 38 of the Memorandum and Articles of Association, which will read as follows:

"[...] It shall set the overall amount of the sums to be allocated among the Directors as remuneration for their duties."

the rest of the Article remaining unchanged,

and grants full powers to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to the applicable laws and regulations, to amend the Memorandum and Articles of Association and carry out all steps and formalities.

7.2.2.6. Resolution 17: powers to carry out formalities

Explanation

The purpose of the seventeenth resolution is to grant holders of the original, copies or extracts of the minutes of the General Meeting the necessary powers to carry out standard public notice and filing formalities.

The Board of Directors invites shareholders to approve this resolution.

Seventeenth 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.

7.3. Reports by the Statutory Auditors on the resolutions

7.3.1. REPORT BY THE STATUTORY AUDITORS ON THE CAPITAL REDUCTION (TWELFTH RESOLUTION)

Pricewaterhouse Coopers Audit
63 rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars
Tour Exaltis – 61 rue Henri Regnault
92400 Courbevoie

To the Albioma General Meeting,

In our capacity as Statutory Auditors of your Company, and in performance of our duties pursuant to Article L. 225-209 of the French Commercial Code (*Code de commerce*) in the event of a 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 as from the date of this General Meeting, to cancel shares corresponding to a maximum of 10% of the capital per 24-month period that have been purchased as a result of the implementation of an authorisation to purchase Company shares within the framework of the afore-mentioned article.

This authorisation will cancel and supersede the unused part of the authorisation granted in the thirteenth resolution adopted at the General Meeting held on 27 May 2019.

We followed the procedures that 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 29 April 2020.

The Statutory Auditors,

PricewaterhouseCoopers Audit
Jérôme Mouazan
Partner

Mazars
Daniel Escudeiro
Partner

7.3.2. REPORT BY THE STATUTORY AUDITORS ON THE AUTHORISATION TO ALLOT EXISTING SHARES AS BONUS PERFORMANCE SHARES (THIRTEENTH RESOLUTION)

Pricewaterhouse Coopers Audit
63 rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars
Tour Exaltis – 61 rue Henri Regnault
92400 Courbevoie

To the Albioma General Meeting,

In our capacity as Statutory Auditors of your Company and in performance of our duties pursuant to Article L. 225-197-1 of the French Commercial Code (*Code de commerce*), we hereby present our report on the proposed authorisation to allot existing shares as bonus shares to salaried employees and executive corporate officers of your Company and to salaried employees of companies or groupings directly or indirectly related to the Company within the meaning of Articles L. 225-197-1 *et seq.* of the French Commercial Code, on which you are asked to vote.

The total number of shares that could be allotted under this authorisation may not exceed 846,000 shares, on the understanding that the number of bonus shares that may be allotted under this authorisation to your Company's executive corporate officers may not exceed 84,600 shares (i.e. 10% of the aggregate cap applicable to this authorisation).

The allotted shares will only vest subject to the satisfaction of internal and/or external performance conditions.

Your Company's executive corporate officers will be required to keep at least 25% of vested shares in registered form until they cease to hold office.

On the basis of its report, your Board of Directors proposes that you authorise it for a 38-month period as from the date of this General Meeting, with the power to sub-delegate, to allot existing shares as bonus shares.

The Board of Directors is responsible for drawing up a report on this planned operation. It is our duty to inform you of any observations we may have on the information you have been given about the planned operation.

We followed the procedures that 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 essentially consist of verifying that the planned terms and conditions, as described in the Board of Directors' report, comply with the applicable laws.

We do not have any observations with regard to the information contained in the Board of Directors' report on the planned authorisation of the allotment of bonus shares.

Neuilly-sur-Seine and Courbevoie, on 29 April 2020.

The Statutory Auditors,

PricewaterhouseCoopers Audit
Jérôme Mouazan
Partner

Mazars
Daniel Escudeiro
Partner

7.3.3. REPORT BY THE STATUTORY AUDITORS ON THE ISSUE OF ORDINARY SHARES AND/OR SECURITIES IN THE COMPANY AS REMUNERATION FOR CONTRIBUTIONS IN KIND MADE TO THE COMPANY (FOURTEENTH RESOLUTION)

Pricewaterhouse Coopers Audit
63 rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars
Tour Exaltis – 61 rue Henri Regnault
92400 Courbevoie

To the Albioma General Meeting,

In our capacity as Statutory Auditors of your Company and in performance of our duties pursuant to Articles L. 228-92 and L. 225-147 of the French Commercial Code (Code de commerce), we hereby present our report on the proposed delegation to the Board of Directors of the powers necessary to issue ordinary shares and/or securities giving immediate or subsequent access, by any means, to the capital of your Company and/or of a company in which your Company holds, directly or indirectly, more than half of the capital, up to a maximum of 10% of the share capital, in order to remunerate contributions in kind made to your Company and comprising capital securities or other securities when the provisions of Article L. 225-148 of the French Commercial Code do not apply, on which you are asked to vote.

The nominal amount of the capital increases that may be carried out under this delegation will be applied against the aggregate cap of 30% of the capital set in the fifteenth resolution of the General Meeting of 27 May 2019.

On the basis of its report, your Board of Directors proposes that you delegate to it, with the power to sub-delegate, for a 26-month period as from the date of this General Meeting, the power to set the terms and conditions of this operation, on the understanding that this delegation will invalidate the unused part of any previous delegation having the same purpose.

In the event of a public offering for your Company's shares, this delegation will be suspended automatically during the offer period.

The Board of Directors is responsible for drawing up a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. We are required to express an opinion on the accuracy of the figures based on the financial statements, on the proposed issue and on certain information relating to the issue that is presented in this report.

We followed the procedures that 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 the content of the report by the Board of Directors on this operation and the methods used to calculate the issue price of the equity securities to be issued.

As the report does not describe the methods used to calculate the issue price of the equity securities to be issued if this resolution is implemented, we are not able to comment on the methods used to determine this issue price.

In addition, as the final terms and conditions of the issue have not been determined, we are not able to comment on them.

As required by Article R. 225-116 of the French Commercial Code, we will prepare an additional report when the delegation is used by your Board of Directors.

Neuilly-sur-Seine and Courbevoie, on 29 April 2020.

The Statutory Auditors,

Pricewaterhouse Coopers Audit	**Mazars**
Jérôme Mouazan	Daniel Escudeiro
Partner	Partner

7.3.4. REPORT BY THE STATUTORY AUDITORS ON THE ISSUE OF ORDINARY SHARES AND/OR SECURITIES IN THE COMPANY RESERVED FOR MEMBERS OF A COMPANY SAVINGS PLAN OR A GROUP SAVINGS PLAN (FIFTEENTH RESOLUTION)

Pricewaterhouse Coopers Audit	**Mazars**
63 rue de Villiers	Tour Exaltis – 61 rue Henri Regnault
92208 Neuilly-sur-Seine Cedex	92400 Courbevoie

To the Albioma General Meeting,

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 French Commercial Code (*Code de commerce*), we hereby report to you on the proposal to delegate authority to the Board of Directors to decide to issue ordinary shares and/or securities giving immediate or subsequent access to the capital, with waiver of preferential subscription rights, to members of company or group savings plans established jointly by your Company and French or foreign related companies in accordance with the provisions of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labour Code (*Code du travail*), on which you are asked to vote.

The maximum amount of the capital increases that may be carried out under this delegation may not exceed 0.75% of your Company's capital on the date on which the issue is decided. The nominal amount of the capital increases that may be carried out under this delegation will be applied against the aggregate cap of 30% of the capital set by the fifteenth resolution approved by the General Meeting of 27 May 2019, on the understanding that the aggregate nominal amount of the capital increases that may be carried out under this delegation and the delegation granted to the Board of Directors by the seventeenth resolution approved by the General Meeting of 27 May 2019 may not exceed 0.75% of the capital on the date on which the issue is decided.

You will be asked to approve this issue, as required by Articles L. 225-129-6 of the French Commercial Code and L. 3332-18 *et seq.* of the French Labour Code.

On the basis of its report, your Board of Directors proposes that you authorise it, with the power to sub-delegate, for a 26-month period as from the date of this General Meeting, to decide on an issue and to waive your preferential right to subscribe to the ordinary shares and securities to be issued. It will determine the final terms and conditions of any such issue.

In the event of a public offering for your Company's shares, this authorisation will be suspended automatically during the offer period.

The Board of Directors is responsible for drawing up a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. We are required to express an opinion on the accuracy of the figures based on the financial statements, on the proposed waiver of preferential subscription rights and on certain information relating to the issue that is presented in this report.

We followed the procedures that 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 the content of the report by the Board of Directors on this operation and the methods used to calculate the issue price of the equity securities to be issued.

Subject to our review at a later date of the terms and conditions of the issue that may be decided, we do not have any comments with regard to the methods used to calculate the issue price of the equity securities to be issued, as presented in the report by the Board of Directors.

As the final terms and conditions of the issue have not been determined, we are not able to comment on them or, as a result, on the proposal to waive the preferential subscription rights.

As required by Article R. 225-116 of the French Commercial Code, we will prepare an additional report if need be, when the delegation is used by your Board of Directors.

Neuilly-sur-Seine and Courbevoie, on 29 April 2020.

The Statutory Auditors,

Pricewaterhouse Coopers Audit
Jérôme Mouazan
Partner

Mazars
Daniel Escudeiro
Partner

8 APPENDICES

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8.1. Persons responsible for auditing the financial statements

8.1.1. 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 Statutory Auditor Member of the Versailles Regional Company of Statutory Auditors Represented by Jérôme Mouazan 63 rue de Villiers 92208 Neuilly-sur-Seine Cedex	18/05/2010	24/05/2016	6 financial years	GM 2022
Mazars Statutory Auditor Member of the Versailles Regional Company of Statutory Auditors Represented by Daniel Escudeiro Tour Exaltis 61 rue Henri Regnault 92400 Courbevoie	27/05/2004	24/05/2016	6 financial years	GM 2022
ALTERNATE STATUTORY AUDITORS				
Jean-Baptiste Deschryver c/o PricewaterhouseCoopers Audit	18/05/2010	24/05/2016	6 financial years	GM 2022
Simon Beillevaire c/o Mazars	18/05/2010	24/05/2016	6 financial years	GM 2022

1. Yr of GM: term of office will expire at the end of the General Meeting to be held in this year to approve the financial statements for the previous financial year

8.1.2. FEES PAID BY THE COMPANY TO THE STATUTORY AUDITORS AND MEMBERS OF THEIR NETWORKS

See additional information in Note 42 to the 2019 consolidated financial statements on pages 205 *et seq.* of Chapter 4 of this Universal Registration Document.

8.2. Financial information included for reference purposes

Pursuant to Articles 9, 6 and 19 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, the following information is included by reference in this Universal Registration Document:

- The consolidated financial statements for the 2018 financial year and the corresponding report of the Statutory Auditors on pages 158 to 217 of the 2018 Registration Document, filed with the AMF on 30 April 2019 under number D.19-0447 together with the information drawn from the 2018 management report included on pages 144 to 156 of the 2018 Registration Document, as well as the company financial statements for the 2018 financial year and the corresponding report of the Statutory Auditors included on pages 220 to 251 of the 2018 Registration Document;
- The consolidated financial statements for the 2017 financial year and the corresponding report of the Statutory Auditors on pages 158 to 213 of the 2017 Registration Document, filed with the AMF on 27 April 2018 as number D.18-0433 together with the information drawn from the 2017 management report included on pages 144 to 155 of the 2017 Registration Document, as well as the company financial statements for the 2017 financial year and the corresponding report of the Statutory Auditors included on pages 216 to 247 of the 2017 Registration Document.

8.3. Person responsible for the Universal Registration Document and for the Annual Financial Report

Frédéric Moyne
Chairman and Chief Executive Officer

8.4. Declaration by the person responsible for the Universal Registration Document and for the Annual Financial Report

I declare, having taken all reasonable care to ensure that such is the case, that the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I declare that, to the best of my knowledge, the financial statements have been drawn up in accordance with applicable accounting standards and give a true and fair view of the assets, financial position and profit and loss of the Company and of all consolidated companies, and that the management report comprising the items detailed in the cross-reference table included in Section 8.6.4 of this Universal Registration Document, fairly reflects the business developments, profit and loss and financial position of the Company and of all consolidated companies while presenting the main risks and uncertainties they face.

Paris La Défense, 30 April 2020.

Frédéric Moyne
Chairman and Chief Executive Officer

8.5. Person responsible for the financial information

Frédéric Moyne
Chairman and Chief Executive Officer

8.6. Cross-reference tables

8.6.1. UNIVERSAL REGISTRATION DOCUMENT CROSS-REFERENCE TABLE

The following theme-based table allows the reader to locate within this Universal Registration Document the main items of information required by Annexes 1 and 2 of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019.

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Headings of Annexes 1 and 2 of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019		Pages in the 2019 Universal Registration Document
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The following theme-based table allows the reader to locate within the Universal Registration Document the main items of information comprising the Annual Financial Report, required pursuant to Article L. 451-1-2 of the French Monetary and Financial Code, and the information, included in this Universal Registration Document, referred to in Article 222-3 of the AMF's General Regulation.

Information referred to in Articles L. 451-1-2 of the French Monetary and Financial Code and 222-3 of the AMF's General Regulation	Pages in the 2019 Universal Registration Document
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Consolidated financial statements for the 2019 financial year	152-206
Report by the Statutory Auditors on the consolidated financial statements for the 2019 financial year	207-210
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Report by the Statutory Auditors on the Company financial statements for the 2019 financial year	240-243
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Information referred to in Article 222-3 of the AMF's General Regulation	
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8.6.3. CROSS-REFERENCE TABLE FOR INFORMATION ON THE REMUNERATION OF CORPORATE OFFICERS AND AMF POSITION-RECOMMENDATION NO. 2009-16 OF 10 DECEMBER 2009

The table below makes it possible to cross-reference the information on corporate officer remuneration in this Universal Registration Document with the presentation recommended by the AMF in Position-Recommendation no. 2009-16 of 10 December 2009, most recently amended on 25 July 2019.

Tables required pursuant to AMF Position-Recommendation no. 2009-16 of 10 December 2009, most recently amended on 25 July 2019		Pages in the 2019 Universal Registration Document
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8.6.4. CROSS-REFERENCE TABLE FOR THE MANAGEMENT REPORT

The following theme-based table allows the reader to locate within this Universal Registration Document the main items comprising the management report required in particular pursuant to Articles L. 225-100 *et seq.*, L. 232-1 and R. 225-102 *et seq.* of the French Commercial Code.

Information in the Management Report	Pages in the 2019 Universal Registration Document
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