CNIM GROUPE (CNIM)

Société anonyme having an Executive Committee and a Board of Directors with share capital of €6,056,220

Registered office: 64, rue Anatole France, 92300 Levallois-Perret, France

Nanterre Trade and Companies Register Number 662 043 595

LEI 969500CC2PIGAFVPD702

Universal Registration Document

including the Annual Financial Report and the Declaration of Extra-Financial Performance

2020

The Universal Registration Document has been filed on 25 May 2021 with the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of that Regulation.

The universal registration document may be used for the purposes of an offer of financial securities to the public or the admission of financial securities to trading on a regulated market if it is supplemented by an offering circular (or securities note) and, where applicable, a summary and any amendments to the universal registration document. The package then formed shall be approved by the AMF in accordance with Regulation (EU) 2017/1129.

This document is a free translation into English of the original French "Document d'enregistrement universel", hereafter referred to as the "Universal Registration Document". It is not a binding document. In the event of a conflict in interpretation, reference should be made to the French version, which is the authentic text.

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1 ABOUT US

1.1 Profile at December 31, 2020

This part of the universal registration document provides a general overview of the Group and describes its activities in each business segment, introducing the various product ranges and services, the markets in which the segments operate, the R&D programs and the industrial and commercial strategies implemented, as well as their competitive positions.

1.1.1 Overview of the Group

Founded in 1856, CNIM is a French global industrial equipment manufacturer and supplier. The CNIM Group develops, designs and manufactures turnkey industrial solutions with rich technological content for large private and public companies as well as State actors, and provides expertise, services and operating capabilities in the environmental services, energy, defense and industrial fields. Technological innovation is at the heart of the equipment and services designed and produced by the Group. Applications include producing cleaner and more competitive energy, reducing the environmental impact of industrial activities, securing sensitive facilities and infrastructure, protecting people and States, and promoting France's high-tech industrial capabilities. The Group, listed on the Euronext Paris stock exchange, has a stable, majority family-shareholder base, committed to its development. At December 31, 2020, CNIM had 2,706 employees generating revenue of €632.9 million, 47.8 % of which in export sales.

The Group is structured in two business segments; the table below provides a brief overview of each.

The Group has first-rate industrial facilities, including a flagship plant located in La Seyne-sur-Mer in France's Var department, and seven other specialized facilities around the world (see section 1.1.1.3).

Environment & Energy	Innovation & Systems
ORGANIZATION, PRODUCTS AND SERVICES	
- Turnkey design, construction and commissioning of waste-to-energy (W2E), biomass-to-energy (B2E) and concentrated solar power (CSP) plants. - Operation and maintenance of waste-to-energy and biomass-to-energy plants, as well as the solar power plant in Llo (France). - Services (optimization, rehabilitation, revamping and maintenance) for waste-to-energy and biomass-to-energy plants and large combustion plants. - Design, construction, installation and commissioning of condensing flue gas treatment and heat recovery systems for waste-to-energy and biomass-to-energy plants, slurry treatment facilities and industrial boiler plants.	The Innovation & Systems segment comprises: - CNIM Industrial Systems Division, comprising CNIM Systèmes Industriels (CSI), based in La Seyne-sur-Mer, France, together with the operational subsidiaries CNIM Air Space (Ayguesvives, France), CTE in China, and CNIM Singapore; - Bertin Technologies and its subsidiaries. The Industrial Systems Division provides a unique offer for the development, production, installation and maintenance of high value-added equipment and systems. This division also has manufacturing and partnership agreements in various high-tech industrial sectors. Bertin Technologies and its subsidiaries operate in two main fields: - Systems and instrumentation - Information technology
MARKETS	
Clients: local authorities, facility operators, public service contractors, private investors, energy producers and public or private-sector service companies (especially chemicals, petrochemicals, agri-food, paper and pharmaceutical companies, plant operators and major service providers). Markets: Business development in countries which are actively pursuing policies: - to build up their waste-to-energy strategies; - to refurbish and upgrade existing plants and services: thermal power equipment running on all types of fuel, waste-to-energy plants; - to decrease atmospheric emissions.	Clients: large French and international contracting authorities Markets: Systems and instrumentation: - Defense & security - Nuclear power & radiation protection - Space and large scientific instruments - Life sciences - Clinical waste management - Semiconductor manufacturing Information technology: State-of-the-art software publisher: - Cybersecurity - Cyber intelligence - Speech intelligence Technological and industrial partnerships Industrial solutions for high-technology markets (such as the semiconductor production equipment and space industries).
OUTLOOK	
- Ongoing strategy of commercial development in countries that are actively pursuing waste recovery policies: > primarily in the United Kingdom and Europe; > to a lesser in the Gulf states and Southeast Asia.	CNIM Industrial Systems Division: . Defense: CNIM is adapting its defense portfolio to match the Armed Forces' new requirements, with investments in cybersecurity in France (via the Bertin IT subsidiary) and strong international growth in naval systems and

- Services: CNIM is positioned as a major player in the French plant modernization market. CNIM Babcock Services implements a strategy of supporting industrial partners with their energy transition and efficiency initiatives. LAB continues to defend and enhance its position in the international markets for waste-to-energy, biomass-to-energy and thermal power plants, with an ongoing focus on its traditional markets (i.e. Germany, Scandinavia and western and southern Europe). Offshore applications are another source of development opportunities.	land-based projection systems for combat engineering units. . Nuclear Power and Large Scientific Instruments: CNIM continued developing innovative production processes (e.g. 3D printing and clean room integration) to enhance its nuclear fuel handling solutions and component manufacturing activities for civilian, military and scientific nuclear facilities. . Other cutting-edge industries and diversification activities: CNIM continued manufacturing bespoke equipment for various SMEs, mid-cap companies and large customers, including complex fabricated assemblies and components requiring large-scale and high-precision machining, and has continued diversifying into composites. Bertin Technologies and subsidiaries: . Systems and instrumentation: The Bertin Technologies subsidiary continued to develop its Systems & Instrumentation range, both in France and internationally via a network of partners. . Information technology: Bertin IT continued to develop its activities relating to cybersecurity, cyber intelligence, strategic intelligence and automatic speech processing for private and public sector customers in fields such as defense and security industries, banking, transport, energy, telecommunications, manufacturing and services.

1.1.1.1 Strategy and outlook

CNIM is an independent midcap enterprise that covers the full life cycle of high-added-value technical and industrial facilities.

The Group's strategy is supported by:

- a diverse range of specialisms and a presence in the environmental services, energy, defense and security markets, decreasing sensitivity to the business cycle;
- the quality of its engineering and design department and industrial resources;
- innovation – the engine of the Group's growth – maintained by high levels of expertise enabling selectivity in capital spending;
- growth of recurring business over the long term;
- improving competitiveness and profitability to ensure that financing needs are met.

The strategies adopted for each business segment in accordance with the Group's general policies are described in the segment overviews.

1.1.1.2 Research and development costs

Innovation-rich projects

For CNIM, innovation offers solutions to the technological challenges faced by its public and private sector customers. It is the keystone of its technological leadership, competitiveness and development. Many of the Group's achievements are world firsts.

The CNIM Group conducts two types of R&D activity:

- research carried out on behalf of customers (this forms a significant part of Bertin Technologies' activities in particular);
- self-financed R&D programs, as described for each segment.

For the CNIM Group, innovation involves:

- continuous improvement with the aim of optimizing existing facilities;
- development of new products, designed and built with unmatched ingenuity;
- a dynamic intellectual property policy, via a portfolio of 152 groups of patents, 110 of which are extended internationally, as well as 114 trademarks.
- development of civil applications arising from defense projects;
- partnerships with research organizations in France and internationally;
- solid commitment to the development of major competitiveness clusters in France;
- development of services to optimize customers' facilities, enabling them to improve equipment uptime and control their operating costs and environmental impact.

R&D programs are implemented by the two segments, which determine what action needs to be taken for their respective technological fields, as part of the Group's overall innovation strategy. These actions are described in the segment overviews.

1.1.1.3 First-rate industrial facilities

CNIM has made the strategic choice to concentrate on the design, construction and operational maintenance of large-scale, high-precision mechanical and composite installations.

These technical items are manufactured in small or medium quantities for the defense, nuclear and energy industries in factories equipped with state-of-the-art machinery.

Engineers work closely with the Industrial Division in integrated project teams. Such close collaboration explains the strength of the value chain provided to our clients, as well as the continuous improvement in the execution of our projects.

The full range of professions associated with the Environment & Energy and Innovation & Systems segments are carried out at CNIM's main industrial site at La Seyne-sur-Mer in France's Var department:

- stages of development: R&D, engineering and design, systems and process engineering, dimensioning, calculations, automated systems, instrumentation and control systems;
- production: clean room activities, machining, welding, boiler-making, setup/assembly, composite material processing, quality control;

- services: work site coordination and monitoring, commissioning and operational maintenance, client training.

In 2019 and 2020, CNIM continued developing its precision machining facilities for large components, including commissioning two new five-axis machining centers and a large-capacity 3D inspection system, as well as making progress on a planned clean room to be used for product finishing operations.

The Group also operates industrial facilities in France, located in Ayguesvives (CNIM Sytèmes Industriels) Thiron Gardais (Bertin Technologies), Montigny-le-Bretonneux (Bertin Technologies) and Pertuis (Winlight), and in Casablanca, Morocco (CNIM Babcock Maroc), Gaoming, China (CTE), Frankfurt, Germany (Bertin GmbH) and Basingstoke, UK (Exensor).

The La Seyne-sur-Mer, Gaoming and Ayguesvives sites jointly carried out several contract manufacturing agreements for industrial customers. Such services play an important role in ensuring that facilities and personnel remain competitive and able to address new industries.

Bertin Technologies' research laboratories and multidisciplinary expertise round out the Group's industrial innovation capabilities.

1.1.1.4 Key success factors

Both segments benefit from:

- expertise in mechanical and thermal engineering, which form the historical basis of activities and are supported by first-rate industrial facilities;
- the experience and capacity to lead complex projects;
- opportunities in high-technology industries (with significant quantitative and qualitative design requirements).

Furthermore, the Group maintains an activity mix enabling it to cover the full value chain (including R&D, design, equipment manufacturing, installation, maintenance and services).

1.1.1.5 Sector-specific information

This information can be found in Section 2.8 "Group results".

Information required under IFRS is presented in the notes to the 2020 consolidated accounts (Note 5, Section 6.1 "Consolidated financial statements at December 31, 2020").

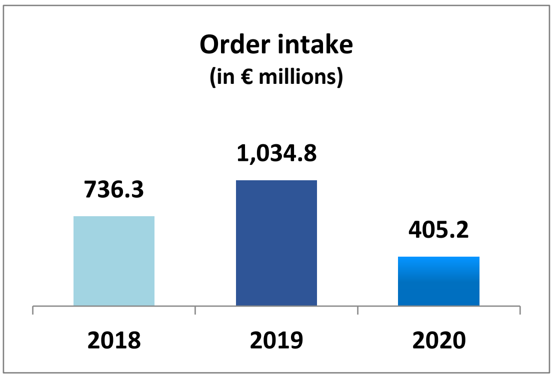
Comprehensive information on subsidiaries and other holdings is provided in this document in:

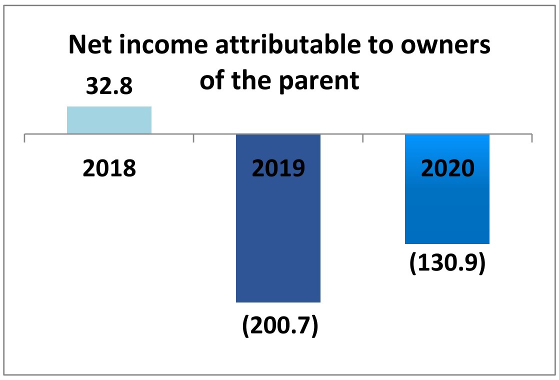
- Section 6.2 of the financial statements (Note 24 to the 2020 CNIM SA Financial Statements);
- Note 4 "Scope of consolidation" to the 2020 consolidated financial statements;
- Structure of the main Group companies, section 2.6.1.

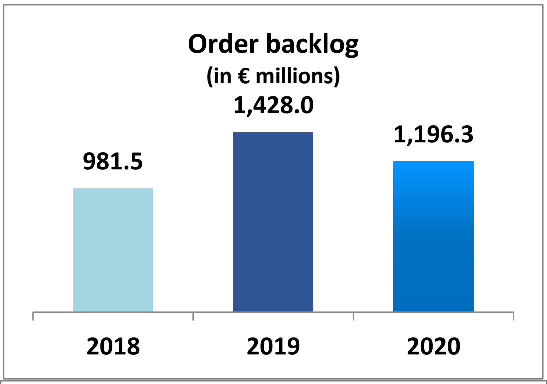
1.2 Key figures

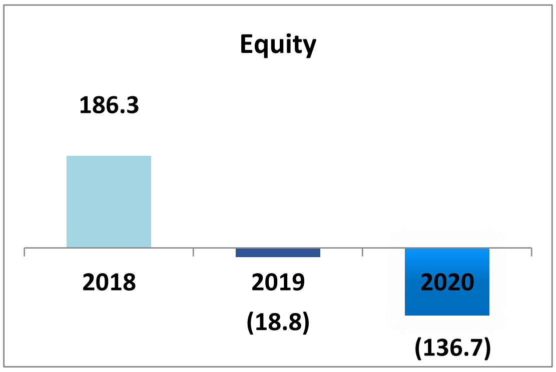
Stated figures are expressed in € millions. The alternative performance measures (APMs) are defined in section 1.2.4.

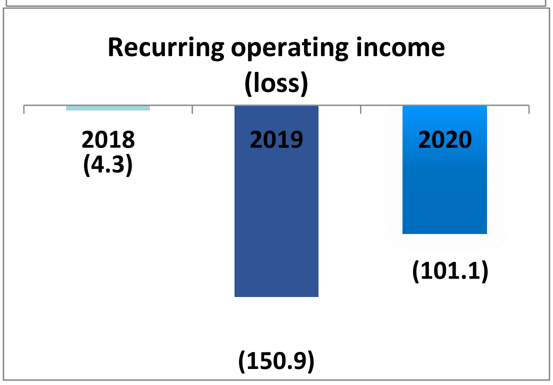
In 2020, 47.8 % of Group revenues were achieved by exports. A breakdown of revenues by segment and by region is provided in section 2.8.3.

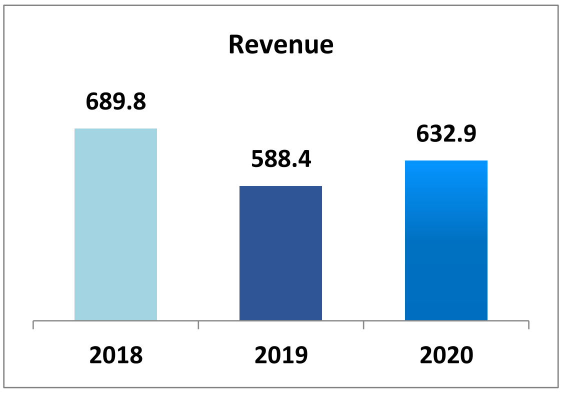


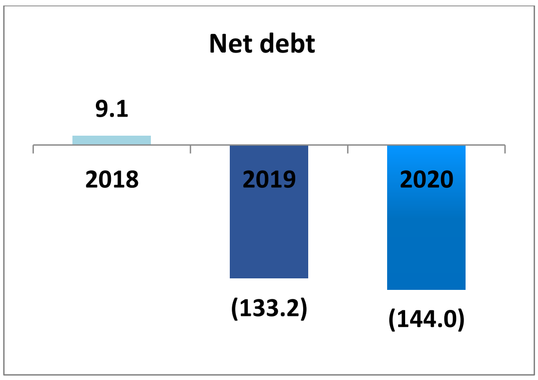


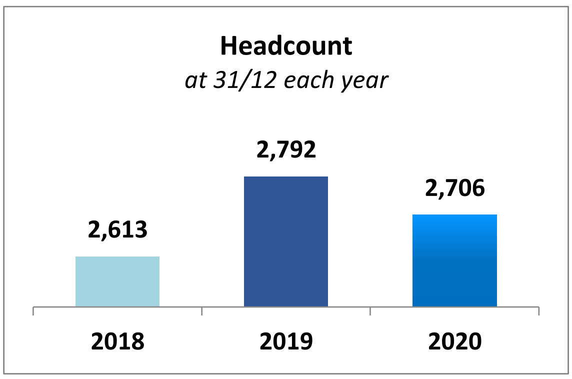












Detailed information relating to all key figures is presented in Sections 2.8 to 2.10.

1.3 Our business model

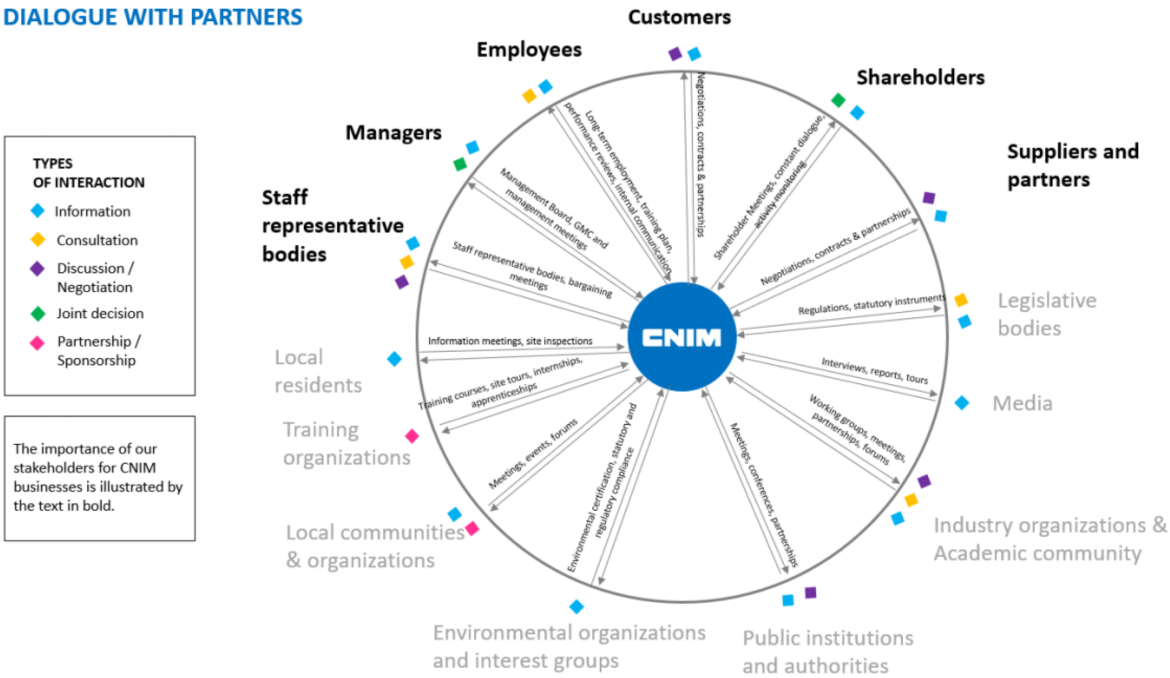
1.3.1 Partners

The CNIM Group first produced a map of its partners in 2013.

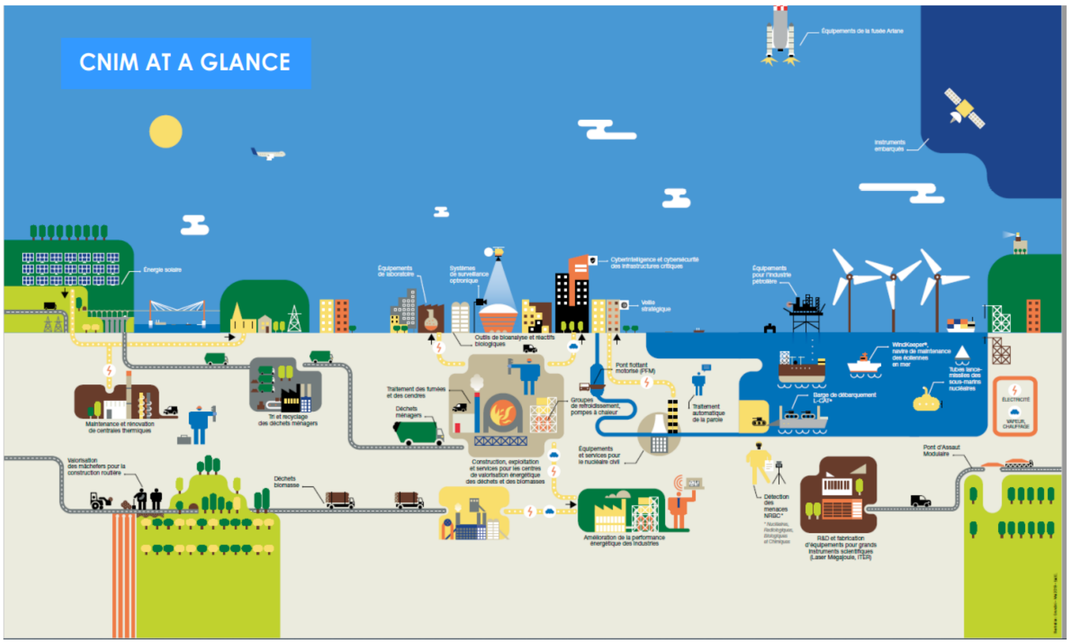
This map:

- shows all stakeholders with which CNIM interacts in the course of its activities,
- identifies the extent and forms of dialogue with each partner, as well as the related mutual expectations.

The CSR Manager is responsible for producing this map, which is then subject to internal approval via the CSR reporting framework.



1.3.2 Our business model



OUR BUSINESS MODEL

RESOURCES

Financial
. Stable family share ownership since 1966

Industrial
. Cutting-edge technological expertise
. State-of-the-art industrial facilities
. Eight industrial sites

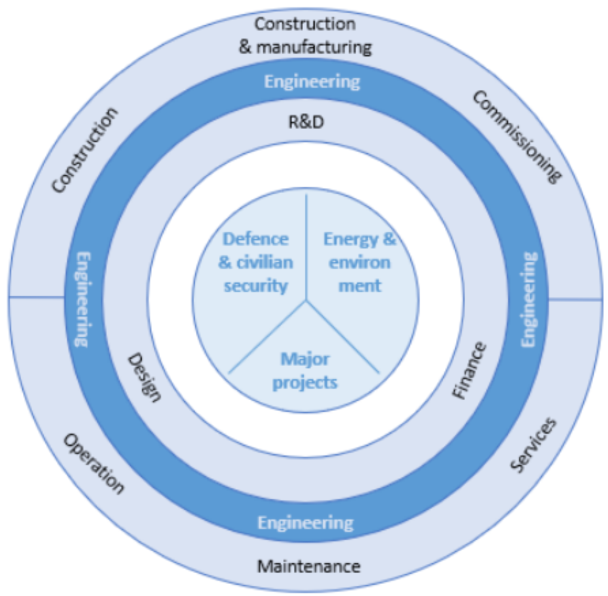
Intellectual
. R&D
. Patent portfolio
. Proprietary technologies

Human
. 2,800 employees carrying out projects in around 100 countries worldwide

Relational
. Long-term relationships with our partners and customers
. A major partner of defense since 1856
. Engagement with the academic community & industry associations

Environmental
. Diverse raw materials (energy sources: domestic waste, biomass, organic waste, solar, etc.)
. Energy certification (ISO 50001)

Solutions for a safer, better protected and more energy-efficient and environmentally sound world



IMPACTS

Financial
. More than half of revenues from export markets

Industrial
Delivery of high quality equipment
.for energy production,
.energy efficiency,
.environmental impact reduction,
.data security, security for sensitive facilities,
.technological support for armed forces

Intellectual
. New patents
. Innovation: new equipment and processes
. Academic partnerships: participation in PhD projects, etc.

Human
. Employee training
. Shared business culture
. Continued Internationalization

Relational
. Joint commitment with suppliers to identify and improve employment and environmental performance, in particular
. Technological and industrial partnerships and sales contracts reaching back decades in some cases
. Joint ventures

Environmental
. Energy efficiency (renewable power generation, energy recovery, etc.)
. Reduced environmental footprint of industrial activities of CNIM and customers.

Founded in 1856, CNIM is a French global industrial equipment manufacturer and supplier.

The Group supplies products and services to major public and private sector organizations, local authorities and national governments in the Environment, Energy, Defense, and high technology markets.

Technological innovation is at the heart of the equipment and services designed and produced by the Group. Applications include producing cleaner and more competitive energy, reducing the environmental impact of industrial activities, securing sensitive facilities and infrastructure and protecting people and States.

The Group, listed on the Euronext Paris stock exchange, has a stable, majority family-shareholder base, committed to its development.

Trends and principal factors that may have an impact on developments to the Group's commercial environment.

Several major trends are crossing borders and having an impact on companies, including geopolitical changes, technological revolutions and changing mindsets.

CNIM has acted on several of these trends, which provide structure to its development strategy.

- **• Heightened awareness of the need to limit the environmental impact of business activities**

People the world over have taken up the environmental cause and are now pressuring States and businesses to accelerate the environmental transition. The need to optimize the energy performance of facilities while, at the same time, reducing their environmental impact is no longer a matter of debate.

Through its innovations in renewable energy production, waste-to-energy solutions, flue gas treatment, energy recovery and the control of industrial risks, CNIM is meeting these challenges, by helping to limit the environmental impact of human and industrial activities.

- **Growing energy needs**

With 8.3 billion people worldwide in 2030 and growing energy needs, the construction of the tomorrow's energy industry ranks among the great challenges for the future.

CNIM is addressing this challenge through an all-round offering that covers equipment design and manufacturing as well as the provision of services for nuclear, renewable and fossil energies. The expertise developed by the Group includes waste sorting and processing, the recovery of unavoidable energy, contributing to major energy-related scientific research programs and developing equipment for decarbonizing the shipping industry, and it continually aims to improve energy efficiency and optimize resources.

- **An unstable world faced with growing threats**

Globalization and digitization require States and businesses to rethink their approach to security.

CNIM is providing a solution to the physical and digital security issues faced by States, local authorities, citizens and critically important stakeholders, companies and institutions. This involves ensuring people's security, as part of a stable society, by preserving infrastructure and protecting exchanges.

To meet these major challenges, CNIM has significant research and development expertise together with market-leading industrial capabilities. Innovation and the solidity of its industrial projects are at the heart of the solutions offered by CNIM to its clients. Its historic expertise (thermal and mechanical engineering, expertise as a lead contractor) and its mastery of new technologies make CNIM a preferred partner of international energy and environment, defense and security operators.

1.3.3 Our values

CNIM's core values are excellence, creativity, commitment and trust. They are based on respect for individuals, the law and the internal rules in force within the Company.

Excellence:	- of our professional skills and expertise; - of our industrial tools; - of our collective achievements and services.
Creativity:	- of our solutions to anticipate and meet the expectations of our customers; - of our teams to put forward powerful and competitive solutions.
Commitment:	- to Group shareholders over the long term; - to our customers, by offering them quality, flexibility and performance; - to our partners, by developing balanced and lasting relationships; - to our employees, by helping them to achieve their ambitions.
Confidence:	- to consolidate our relationships with our employees; - to underpin our customer relations; - at the heart of our activities to achieve greater success with responsibility and enthusiasm.

1.4 Governance

Please refer to Chapter 5 'Corporate Governance' of this document.

1.5 Regulatory environment

The CNIM Group operates within a heterogeneous regulatory framework, due to the diversity of our activities and our international location network. It is subject to domestic and international legislation and standards, which have become increasingly strict in recent years.

CNIM Groupe and its subsidiaries conduct their activities in accordance with regulations relating to the environment, the production and export of goods and services, and more generally, anti-corruption and anti money-laundering efforts.

This stricter regulatory environment is creating new maintenance and safety requirements at industrial facilities for which CNIM Groupe and its subsidiaries have operational technical responsibility, including facilities operated on behalf of third parties; these emerging obligations have the potential to significantly impact revenues and impair Group results. This would also be the case in the event of a tightening of regulations relating to compliance of products manufactured by CNIM subsidiaries in France and abroad. Additionally, certain countries are subject to export controls, embargoes, economic sanctions or other forms of trade restrictions imposed by the USA, Canada, the European Union, Russia or other nations and organizations, any expansion to which could potentially prevent CNIM and its subsidiaries from conducting their activities freely in such countries. Any further restrictions could unfavorably affect the activities, financial situation, trading results or outlook of CNIM subsidiaries.

Other regulatory changes not specific to industry or the environment might also affect CNIM's operational processes. For example, an unfavorable amendment to the Sapin II Act in France (Law no. 2016-1691 of December 9, 2016 on transparency, anti-corruption and modernization of the economy) or anticipated regulatory changes arising from the United Kingdom's decision to leave the European Union (Brexit), might result in the introduction of sanctions.

Generally, any new regulations or amendments to the implementation or enforcement of current statutory and regulatory measures could potentially have a significant impact on CNIM Group activities and trading results, given that any failure to identify and adapt to such changes could subsequently expose CNIM to criminal charges and/or large fines.

2 ACTIVITIES, MARKETS, RESULTS, STRATEGY & OUTLOOK, KEY EVENTS AND HIGHLIGHTS

2.1 Key events and highlights of 2020

A. CNIM Group

Financial communication

Due to the significant impact of the losses suffered during the 2019 financial year and the resulting cash consumption, the Group began a financial restructuring process in 2019, working closely with all partners, including its banking pool and credit insurers (which were involved in the issue of bank guarantees), as well as Martin GmBH (CNIM's longstanding industrial partner).

Through this process, which included a conciliation procedure initiated on January 2, 2020, the parties entered into a preliminary agreement in March 2020, before going on to finalize a comprehensive conciliation protocol in April 2020. This protocol was approved by a judgement of the Paris Commercial Court dated June 23, 2020.

The Group's financial condition is described in detail in section 2.11.

All press releases and financial disclosures are available on the Group's website:

(https://cnim.com/finance/informations-financieres).

Finalization of the legal reorganization of the Group's activities

From an operational perspective, the Group's activity was until recently structured as two business segments, the Environment and Energy (E&E) segment and the Innovation & Systems (I&S) segment, each sub-divided into the following Divisions:

- **Environment & Energy (E&E) segment**

a. E&E EPC Division;

b. E&E Flue Gas Treatment Division (LAB);

c. E&E Services Division;

d. E&E O&M (Operation) Division

- **Innovation & Systems (I&S) segment**

e. Industrial Systems Division;

f. Bertin Division

The Parent Company of the CNIM Group generated almost half of the Group's revenue through activities a, c, d and e above. The remainder of the Group's revenue was accounted for by Group subsidiaries with no legal framework clearly separating the various businesses.

This led to:

- a confusing legal structure, resulting from the Group's previous transactions;
- a lack of consistency between the Group's legal structure and its operating activities;
- little consistency in the governance methods implemented in the various subsidiaries.

Consequently, in 2019, the Group launched a program to reorganize its activities, with the aim of (i) simplifying the legal structure of its businesses and (ii) improving the consistency of its governance and management.

The main objectives of this program, which continued in 2020, were to:

- Spin off by means of partial contributions of capital and then reclassify, on the one hand, all of the Parent Company's activities and resources and, on the other hand, all of the subsidiaries, within a particular division, in and under a dedicated holding company placed at the head of the division in question;
- Strengthen corporate governance across all Group entities.

The Group finalized the capital contributions to each Division at midnight on December 31, 2019, except for the transaction involving the E&E EPC division, which was not approved in time by an adequate number of our partners. Nevertheless, due diligence for the purpose of obtaining their approval continued into 2020, and the capital contributions to the E&E EPC Division were completed with effect from November 1, 2020.

Also in 2020, the Group continued work reclassifying certain participating interests held indirectly by the Parent Company to the relevant Divisions (specifically, shares in MES Environmental Ltd and CNIM Singapore Private Ltd were respectively reclassified in the E&E O&M and Industrial Systems Divisions).

The following directly or indirectly held subsidiaries that had ceased trading were also voluntarily wound up: EKOMZ, CNIM US Corp, CNIM Babcock Sulamericana, LAB Geodur UK, LAB Red Wing LLC, and LAB Pope/Douglas LLC.

CNIM Groupe approved a change in the legal form of its LAB subsidiary to a simplified joint-stock company (*Société par Actions Simplifiée - SAS*).

The resulting organizational structure is shown in section 2.6.1 'Principal companies in the CNIM Group at December 31, 2020'.

The Group continued to strengthen governance processes across all entities in 2020, resulting in significant involvement by CNIM Groupe's Management bodies in the management of subsidiaries, thereby ensuring consistency throughout the Group.

Disposals

In 2020, CNIM disposed of the following indirectly held/operated equity interests and businesses:

- Disposal of the indirectly held equity interest in CNIM Development and its subsidiaries, Handford Waste Services Holdings, Handford Waste Services, Dudley Waste Services and Wolverhampton Waste Services, with effect from July 27, 2020.
- Disposal of the minority interest held by the subsidiary CNIM Systèmes Industriels in Technoplus Industries, with effect from November 4, 2020.
- Disposal of the branch of the business operated under the 'Bertin Energie Environnement' name by the subsidiary Bertin Technologies, with effect from September 30, 2020.

Ongoing financial restructuring of the Group

On April 29, 2020, the Group finalized a memorandum of understanding with all of its banking and credit insurance partners (which play a role in underwriting bank guarantees) regarding a financial restructuring operation (described in section 2.11) to sustain the Group's activities over the medium term.

Change in governance

Pursuing the transformation process initiated by the Group, the Supervisory Board, at its meeting on May 25, 2020, appointed Louis-Roch Burgard to the Management Board in the role of Chief Executive Officer.

On July 31, 2020, the CNIM Groupe General Meeting of Shareholders adopted a resolution to change the governance model from a dual structure comprising a Management Board and Supervisory Board to a unified structure featuring a Board of Directors. This change reflects CNIM Groupe's desire to simplify and clarify its decision-making process and adapt its governance structure to the current constrained circumstances.

Consequently, the terms of office of the members of the Management Board came to an end. CNIM Groupe is now administered and managed by a Board of Directors and a Chief Executive Officer, to whom the various Division General Managers report directly.

Nicolas Dmitrieff was appointed a director at that Meeting and then, at the Board of Directors' meeting which followed it, he was appointed Chairman of the Board of Directors.

When it met on May 26, 2020, the Supervisory Board appointed Louis-Roch Burgard as a member of the Management Board and Chief Executive Officer of CNIM Groupe. Following the change in governance adopted on July 31, 2020, the General Meeting of Shareholders appointed Mr. Burgard as a Director, and the ensuing Board Meeting confirmed his appointment to the role of Chief Executive Officer.

Please refer to Chapter 5 'Corporate Governance' of this document.

Sale of the head office building located at 35 Rue de Bassano (Paris 8th arrondissement)

In 2020, SCI Bassano exchanged contracts on the sale of the property located at no. 35, Rue de Bassano, 75008 Paris. A concessionary lease agreed by the new owner and CNIM entered into effect on April 17, 2020.

Arbitration in Bahrain

Under the terms of a binding arbitration decision issued by the International Chamber of Commerce on January 7, 2020, CNIM's claim against the Kingdom of Bahrain was dismissed and the company was ordered to pay the defendant the sum of USD 5,443,238.97 to cover its costs incurred in the course of the arbitration process.

In response to an order to register for enforcement granted to the Kingdom of Bahrain with regard to the arbitration decision of January 7, 2020, CNIM lodged an appeal against the order with the Paris Court of Appeal. The Paris Court of Appeal is expected to issue its decision in late 2021 or early 2022.

Concurrently, CNIM began proceedings in relation to the enforcement order, before the enforcement judge with the Judicial Court of Paris, and before the pre-trial judge with the Court of Appeal of Paris.

B. CNIM Environnement & Energie

• Handover of turnkey waste-to-energy (W2E) plants

Kemsley, UK

- Client: Wheelabrator.
- Features: The facility was built in partnership with the civil engineering firm Clugston, and is equipped with two 35 t/h units, giving it an annual processing capacity of 275,000 tonnes of waste. It generates 60 MWe. The VapoLAB™ flue gas treatment system was supplied by LAB (a CNIM subsidiary).
- The customer formally accepted the plant on July 16, 2020, despite the impact on the commissioning process of the COVID-19 pandemic, and the bankruptcy in December 2019 of the civil engineering subcontractor Glugston.

Avonmouth, UK

- Client: Viridor (Pennon Group)
- Features: This waste-to-energy plant was built in partnership with Clugston, a British civil engineering contractor. This facility, featuring two 20.6 t/h units, will export up to 34 MWe to the grid and will be equipped with a SecoLAB™ flue gas treatment system supplied by the LAB subsidiary.
- Acceptance was completed on December 16, 2020.

• Operation of an organic waste-to-energy plant

Renewal of the operation and maintenance agreement at the Launay Lantic organic W2E plant

Client: Kerval Centre Armor

CNIM won the contract to modernize, operate and maintain (for a period of eight years with effect from July 1, 2020) the organic waste-to-energy plant in Launay Lantic. This unit, which produces compost from domestic and green waste, also processes seaweed collected from nearby beaches. The center also includes a non-hazardous waste storage facility and a photovoltaic power plant installed and operated since 2009 by the Group subsidiary CNIM Ouest ARMOR.

• LAB subsidiary: pollutant emissions control

Kenow Bremen (Germany)

Turnkey contract for the flue gas treatment system at the new sludge incineration plant in Bremen (North Germany). This comprehensive flue treatment system, which operates using a combined wet and dry process with no liquid waste, also produces gypsum.

KVA KEBAG Enova Zuchwil Emmenspitz (Switzerland)

Turnkey contract for the flue gas treatment system at the new waste-to-energy plant in Zuchwil (Switzerland), equipped with two 16 t/h units. This comprehensive flue gas treatment system based on marine scrubber technologies also has a final dry treatment and heat recovery stage.

NEA SIWMF Singapore for Keppel Seghers Belgium (Singapore)

Contract covering engineering, construction and delivery of four DedioxLAB systems for a new waste-to-energy plant in Singapore, equipped with four 37.5 t/h units. The contract was awarded by Keppel Seghers Belgium, which is building the complete plant in its capacity as prime contractor.

a2a Brescia for Termokimik Corporation (Italy)

Contract for three flue gas condenser units at the existing waste recovery plant in Brescia, which is equipped with three 100 MW units. These complete flue gas condenser systems are installed between the existing dry flue gas treatment systems and the new selective catalytic reduction (SCR) units. The contract was awarded by Termokimik Corporation, which is carrying out comprehensive upgrading and optimization works at the plant.

C. Innovation & Systems segment

• CNIM Industrial Systems Division

CNIM continues to develop its land, sea and, most recently, air defense activities for the French armed forces

- In 2020, Frontex selected CNIM to supply a tethered aerostat-based coastal surveillance solution. After winning the contract for 14 EDAS landing craft in 2018, the Socarenam shipyard launched the first unit in late 2020, following 18 months of development work.
- 2020 was a very busy year for Naval Equipment, in terms not only of deliveries (including the Barracuda, F21 and FDI) but also new orders for Naval Group's surface vessels and submarines.
- In gap crossing systems, the PFM F2 motorized floating bridge obtained formal qualification in mid-2020. The first PFM F2 system was promptly delivered to the French army, which immediately and successfully deployed it in Côte d'Ivoire. CNIM also passed new milestones in the development of a new version of the PFM compliant with the latest NATO standards; the new version has put the Group in a position to bid for current and anticipated French and European contracts. Two European calls for tenders are already being processed.

CNIM is diversifying into mechanical engineering for the semiconductor industry, and upgrading its industrial facilities

CNIM won a contract to fabricate large, precision-manufactured frames for the semiconductor industry using an electron-beam welding process. The first-off part was successfully produced in 2019, enabling full-scale production to be launched in 2020. Accordingly, CNIM continued developing its precision machining facilities for large components, including commissioning two new five-axis machining centers, a large-capacity 3D inspection system, and a clean room for product finishing operations. In addition to the industrial development projects associated with this contract, CNIM's Lagoubran plant has installed a new flow-forming machine (the only one of its kind in Europe), as well as a new heat treatment furnace for cost-effective production of nozzle housings for the Ariane launcher.

• Bertin Technologies

Disposal of Bertin Energie Environnement

On September 30, 2020, Bertin Technologies disposed of Bertin Energie Environnement (BEE), its energy and environmental consulting, engineering and innovative solutions business, to Naldeo Group.

Bertin Technologies' flagship project in 2020

Bertin Technologies is actively contributing to the fight against the COVID-19 pandemic; in particular, Bertin Medical Waste has seen strong growth in activity levels since the start of the health of the emergency, supplying hospitals with systems for processing potentially infectious medical waste. Hospitals in many different countries, especially in Cambodia and Indonesia, are now equipped with these waste sterilizers, which use Sterilwave technology to help prevent the spread of coronavirus.

2.2 Environment & Energy segment[1]

2.2.1 Profile

CNIM is one of the leading European specialists in the waste-to-energy and biomass-to-energy fields. Waste recovery involves:

- transforming waste into electric energy and heat (urban district heating, industrial processes);
- extracting materials from waste that can be reused in production cycles.

CNIM has developed a specific range dedicated to the fields of:

- domestic, industrial and biomass waste-to-energy recovery;
- flue-gas and ash treatment;
- conventional energy production by combustion plants.

The Group provides its public and private-sector customers with turnkey design, construction and operation services in strict compliance with regulatory and environmental impact management standards.

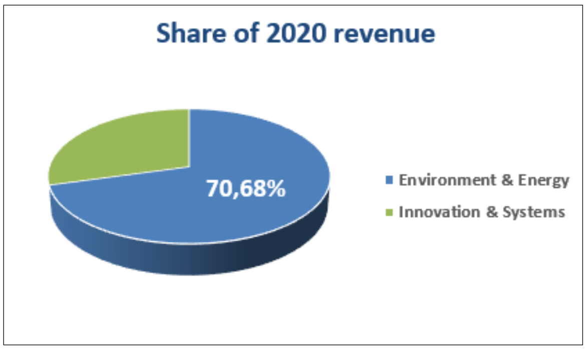
CNIM also offers an extensive range of equipment, systems, expertise and services for rational energy management. CNIM applies an all-round approach encompassing energy efficiency and reducing the environmental impact of its clients. The Group's teams have expertise with all types of fuel, including fossil fuels, waste, biomass and solar energy.

Customers include energy producers, local authorities and industries of all kinds, especially chemicals, petrochemicals, agri-food, paper and pharmaceutical companies, plant operators and major service providers.

To date, CNIM has designed and built 173 turnkey waste-to-energy plants (with a total of 292 units), processing the waste produced by more than 110 million people worldwide.

Since 1953, LAB has completed over 450 projects in more than 20 countries.

CNIM Environnement & Energie revenues (in € millions)		
2018	2019	2020
493.3	391.7	446.7



2.2.2 Offer of products and services

A. Construction of waste-to-energy plants

CNIM designs, builds and commissions turnkey waste-to-energy plants. CNIM uses proprietary technologies that meet the most stringent standards in terms of performance and control of environmental impacts, with a multi-process approach.

[1] Information at December 31, 2020

B. Operation and maintenance of waste-to-energy and biomass-to-energy plants

CNIM operates and maintains energy and organic waste- and biomass-to-energy plants.

CNIM operates:

- nine waste-to-energy plants (including one multi-process center comprising an organic waste-to-energy plant equipped with a sorting line, green algae processing facilities and a landfill center);
- two sorting centers in the Paris region (including one in the 18th arrondissement);
- two facilities that recover metals from bottom ash;
- two biomass-fueled power plants.

In concentrated solar power, the Llo CSP plant is operated by SUNCNIM.

C. Optimization, refurbishment, revamping and maintenance services for waste-to-energy and biomass-to-energy plants and combustion plants

CNIM Environnement & Energie Services coordinates the Environment and Energy segment's expertise in the market for heat engineering services for combustion facilities in operation. It aims to become a key player in the energy transition and energy efficiency market in regions served by CNIM by leveraging its strengths:

- process expertise and a solution-focused approach;
- proven experience in construction, operation and renovation projects;
- proprietary products and technologies, backed by a portfolio of patents;
- a solid installed base and strong brands (CNIM, LAB and Babcock).

This unit coordinates the CNIM Group's services, products, solutions and offers relating to its area of expertise:

- preventive and corrective maintenance and replacement parts;
- audits, investigations, support services, troubleshooting and performance enhancement solutions;
- retrofitting;
- performance agreements (with performance guarantees).

CNIM addresses market and customer segments that use the heat cycle (from fuel to flue gas treatment) and technologies mastered by the Group:

- waste-to-energy;
- biomass;
- industry (including the utilities sector and in particular, thermal power plants and gas-fired combined-cycle power plants, as well as urban heating networks and the paper, chemicals and petrochemicals industries).

The target geographic coverage is as for the Environment & Energy segment, with activity concentrated in Europe and Africa. In Europe, priority is given to France, the United Kingdom, German-speaking countries and Scandinavia. Further afield, CNIM E&E Services markets its services in North and Central Africa, and indeed worldwide (mainly in the Middle East, Russia and Latin America).

D. Reducing polluting emissions

The LAB subsidiary designs, builds, installs and commissions condensing flue gas treatment and heat recovery systems for waste-to-energy and biomass-to-energy plants, sludge treatment facilities and industrial boiler plants. LAB also supplies flue gas treatment systems and solutions for the offshore industry and diesel engines, including:

- a comprehensive range of flue gas desulfurization solutions for cruise liners, ferries, container ships and other cargo vessels;
- the DeNOx SCR range for all types of ships and diesel engines.

All processes used comply with the European 'Best Available Techniques' baseline and the latest emissions regulations (including the new waste incineration BREF).

2.2.3 2020 market overview

A. Waste-to-Energy

In 2020, CNIM handed over two waste-to-energy plants in the United Kingdom, bringing the total number of UK plants built by CNIM over the past decade to 18.

Outside Europe, CNIM is rolling out its business activity in Middle Eastern markets. CNIM is also present in Asia, operating via an Indian subsidiary set up as a joint venture with its longstanding partner Martin GmbH. CNIM Martin Pvt. Ltd., based in Chennai in the Indian state of Tamil Nadu, harnesses the skills and expertise of the two partners to provide turnkey solutions for construction companies, local authorities and industrial customers.

B. Operation and maintenance of waste-to-energy and biomass-to-energy plants

CNIM's offering encompassing the construction and operation of waste-to-energy plants appeals in particular to certain customers such as local waste management stakeholders and investors that do not operate waste-to-energy plants. In these specific cases, CNIM is able to act as both construction contractor and operator, minimizing the cost of the interface between construction and operation of the W2E facility and ensuring superior performance.

C. Services to waste-to-energy and biomass-to-energy plants

CNIM targets works contracts, supplying proprietary, differentiating technical solutions and equipment to large operators and concession holders (such as W2E plant operators and utility companies).

D. Reducing polluting emissions

In 2020, LAB maintained its status as a major player in the market for flue gas treatment systems for waste-to-energy plants, winning an order for a sophisticated system in Switzerland and implementing a patented process at the new W2E plant in Singapore. LAB was also awarded a sludge treatment contract in Germany and an order for upgrading works and a heat recovery system in Italy.

The offshore solutions business saw lackluster performance, as the global pandemic caused project development delays and a scaling back of investments.

Lastly, the DeNOx business secured several contracts for marine and onshore applications.

2.2.4 Market position (internal sources)

A. Construction of waste-to-energy plants

The Group's main competitors in the market for waste-to-energy plants are Hitachi Zosen Inova, Steinmüller Babcock Environment and Baumgarte Boiler Systems.

Other players include Doosan Lentjes GmbH, Babcock & Wilcox Volund, Keppel-Seghers Technology, Termomeccanica Ecologia and Vinci Environnement. A few local competitors also operate in this market.

B. Operation and maintenance of waste-to-energy plants and biomass-to-energy plants

For reference, the main players in France are Suez Environnement, Veolia Environnement, Dalkia Wastenergy, Urbaser and IDEX. Note: CNIM has no plans to develop a plant operation business in France. The Group is focusing primarily on export markets with a less dense competitive landscape, essentially via contracts for plants designed and built by CNIM (such as the Sharjah and Earls Gate projects)

C. Optimization, refurbishment, revamping and maintenance services for waste-to-energy and biomass-to-energy plants and combustion plants

CNIM Babcock Services competes in the market for large combustion installations against manufacturers (CMI, Ansaldo, Babcock Borsig), large general-purpose maintenance contractors (Endel, Camom etc.), and manufacturers' subcontractors. Regarding waste-to-energy and biomass-to-energy plants, the diversified competitive landscape includes EPC contractors (e.g. HZI, Vinci and Tiru), equipment manufacturers (e.g. Leroux & Lotz, Area Impianti, ATS, AIT/Stein, and Hamon) and large operators (for example Suez, Veolia, and Tiru).

D. Reducing polluting emissions

Competitors of various types exist:

- firms specializing in flue gas treatment solutions for waste-to-energy and biomass-to-energy plants and sludge treatment facilities: Hitachi Zosen Inova, Valmet, Andritz, General Electric, Lühr, Area Impianti, ATS, Vinci Environnement, and Envirotherm;
- firms specializing in flue gas treatment systems for marine applications: Ecospray, Wartsila, Alfa Laval, and Yara.

2.2.5 R&D and new products

A. Waste-to-Energy optimization

Building on proprietary industry-specific technologies, the R&D program conducted by the Environment & Energy segment seeks to maximize the value created by CNIM's offering through enhanced performance, cost-effective solutions and effective risk management.

Most of these technological developments relate to the two key criteria for waste-to-energy/biomass-to-energy processes, namely:

- improving plant availability, particularly by preventing and mitigating corrosion and fouling;
- optimizing plant cycles to maximize energy production and waste processing volumes.

They are also informed by:

- extensive experience feedback, in particular from the United Kingdom, where in recent years the Group has completed numerous plants to high standards of quality and performance, and from reporting by operating and service personnel at existing facilities;
- development of digital tools to optimize energy production performance.

The principal research programs currently focus on:

Development of digital twins of processes that faithfully replicate those of completed W2E plants to assist CNIM customers via:

- CNIM Digital Operator Training and the CNIM Academy training center, in order to significantly enhance the standard of operator training and hence increase plant availability. The first sessions taught at recently completed UK plants were very warmly received by our customers;
- CNIM Digital Twin, which optimizes productivity at waste-to-energy plants in real time, by comparing plant output against the maximum theoretical output and identifying the source of any potential performance losses. This computer-aided plant operation module has been installed at CNIM's plant in Thiverval-Grignon; the results obtained point to a bright future, and a commercial roll-out of the concept across our plants is planned in 2021;
- efforts to develop digital twins of our plants for internal purposes also continued, in order to:
    - optimize our solution engineering, particularly for transient phases (e.g. optimized steam exports at the Earls Gate plant);
    - accelerate instrumentation and control system commissioning processes, saving precious days during onsite commissioning operations. The digital twin developed to assist I&C configuration is currently being tested at the Sharjah plant and will be implemented for the Earls Gate facility.

The effort to optimize energy efficiency using software tools is supported by the following special developments currently being perfected:

- CNIM Boiler Monitoring System (CBMS): dedicated monitoring system designed to control fouling and corrosion risks and optimize the boiler cleaning and inspection strategy during a testing phase at a W2E plant in Monaco;
- CNIM Combustion Control System (C3S): patented biomass combustion optimization solution used for coal-to-biomass transition projects, based on a combination of pyrometry and artificial intelligence. The system is

designed to optimize atmospheric emissions and boiler availability on switching between different types of biomass. It is currently being trialled by CPCU (Paris) and at the Le Moule 3 power plant in Guadeloupe.

In addition to the digital process tools required for the 'industry 4.0' transition of CNIM Environnement & Energie's offering, performance improvements at waste-to-energy and biomass-to-energy units are being achieved by:

- upgrading cleaning systems to enable more reliable in-line heat exchanger cleaning, thereby maintaining efficiency over longer operating periods. Encouraged by positive laboratory test results on the initial prototype, the Group continued industrializing CNIM He, a patented proprietary cleaning system that uses shock waves with no need for an explosive mixture, and a test campaign to evaluate its effectiveness is currently underway at the Thiverval-Grignon plant;
- CNIM's R&D programs seek to enhance plant performance using high-efficiency steam cycles and/or greater availability and/or more competitive pricing of the proposed solution by providing solutions that enable innovative combinations of materials and operating conditions in boiler heat cycles. Informed by analyzing experience feedback from our plants, these solutions are based on the development and deployment of corrosion probes that allow new coatings/materials to be tested in real-life operating conditions.

B. Improving our environmental footprint

As well as improving plant cycle efficiency and availability, respectively optimizing resource recovery rates and avoiding the environmental impact of waste that would otherwise have been dumped, CNIM's R&D division continues to invest in shrinking the environmental footprint of the Group's plants by reducing polluting emissions and the associated carbon footprint.

In order to comply with the latest regulatory requirements on polluting emissions, relating to nitrous oxide in particular:

- an optimized version of the CNIM SNCR+ system combined with the new combustion air staging system (6RS) was trialled at three plants in the UK, demonstrating its ability to drastically reduce nitrous oxide emissions and comply with recent European environmental requirements;
- TERMINOx High Dust: this patented nitrous oxide and dioxin treatment process, integrated into the boiler, enables low BREF thresholds to be achieved with very limited CAPEX and OPEX, while also minimizing the environmental footprint. Initial experience feedback has been positive, opening up opportunities to roll out the technology to larger facilities.

Adapting to its changing market, CNIM's offering already includes waste sorting and anaerobic digestion, as well as waste-to-heat and waste-to-electricity recovery of waste or solid recovered fuel (SRF). The Ileva project on Reunion Island showcases CNIM's know-how in this area. R&D is instrumental in optimizing 'Waste' recovery processes.

Investigative research conducted by CNIM and LAB R&D teams means that CNIM is now in a position to support customers looking to invest in the transition to a low-carbon economy by incorporating carbon capture and 'green' hydrogen production systems in their W2E plants.

C. Synergies

CNIM and LAB work closely together, developing effective synergy between in-boiler pollutant treatment and downstream boiler flue gas treatment. Teams of experts from CNIM and LAB analyze and review the needs of their target markets, and then deploy significant resources to develop suitable products.

Note that a number of R&D projects are either being conducted jointly or benefit from cooperation with other CNIM Group companies. Lastly, with effect from 2019, R&D projects are managed at the Environment & Energy segment level, with inputs from all constituent entities.

CNIM strengthens its portfolio of proprietary products by patenting the innovations developed by its R&D teams, which are tested at operational facilities, industrialized and sold via the Services unit, before being commercialized by all Group entities.

2.2.6 Strengths

A. Waste-to-energy and biomass-to-energy projects

CNIM's strengths reside in:

- a particularly agile, responsive business strategy that enables the Group to adapt to its diverse markets, giving appropriate consideration to local specificities and forging partnerships with local stakeholders, including industrial and civil engineering partnerships as well as business partnerships with developers and operators;
- universally-acknowledged expertise as an EPC contractor.

These two major strengths are backed by a well-developed ability to capitalize on feedback and by ambitious technological innovation programs that yield a steady stream of reliable, competitive and highly effective technologies.

Regarding plant operation, CNIM continued its sales and marketing efforts relating to waste-to-energy plants built by CNIM. This positioning is justified by CNIM's plant operation experience and technical expertise as a manufacturer.

CNIM's strengths in the service sector include:

- the ability to tackle the full spectrum of issues: routine and preventive maintenance, expert investigations, audits, trouble-shooting, unit management and continuous improvement, compliance and optimization works, training and replacement parts;
- unmatched process expertise covering the full heating cycle of waste-to-energy/biomass-to-energy plants and facilities that must manage an energy transition;
- partnerships that supplement the Group's fields of expertise and extend its international reach;
- differentiating proprietary technologies, facilities, solutions, patents and expertise;
- construction, operation and maintenance know-how.

B. Reducing polluting emissions

LAB's strengths include:

- lengthy experience in many different countries;
- comprehensive technology portfolio;
- proven ability to quickly and effectively adapt to new markets, such as offshore applications.

2.2.7 Strategy and outlook

A. Construction of waste-to-energy plants

In the French market, CNIM continued to refurbish waste-to-energy plants in need of updating or in some cases reconstruction, to improve their energy efficiency and environmental performance. Customers are typically local authorities seeking to keep older facilities running over the long term.

CNIM has continued to expand its activities in countries that are actively implementing waste-to-energy policies, for which CNIM can supply design, construction and operating expertise:

- primarily in Europe, particularly the UK and the Rest of Europe, in order to meet the target of landfill dumping no more than 10% of waste by 2035. For example, Suez estimates that meeting this target will require current waste-to-energy capacity to be increased by 45%;
- In the Gulf states and Southeast Asia, via its subsidiary CNIM Martin PVt. Ltd.

CNIM selects projects and markets with extreme care, in order to avoid exposure to unmanageable risks.

B. Operation and maintenance of W2E and B2E plants

CNIM Environnement & Energie Operations & Maintenance is developing its waste recovery activity exclusively by extending the Group's waste-to-energy plant construction offer. In general, CNIM Environnement & Energie Operations & Maintenance does not aim to take over from existing operating contracts, preferring to partner with existing operators to carry out works arising out of requests for proposals for concession or operating agreement renewals.

Le développement de CNIM Environnement & Énergie Operations & Maintenance dans le secteur de la valorisation des déchets se fait exclusivement dans le prolongement de l'offre de construction de centres de valorisation énergétique. CNIM Environnement & Énergie Operations & Maintenance n'a pas vocation en général à se positionner sur la reprise de contrats d'exploitation dont elle n'est pas déjà titulaire mais s'associe plutôt aux opérateurs existants pour effectuer les travaux dans le cadre des appels d'offre de renouvellement des contrats de concession ou d'exploitation.

C. Optimization, refurbishment, revamping and maintenance services for waste-to-energy and biomass-to-energy plants and combustion plants

The Group's strategy is to focus on medium-sized renovation projects with easily understood execution risks.

D. Reducing polluting emissions

LAB's strategy is to continue to defend and enhance its position in the international markets for waste-to-energy, biomass-to-energy, sludge treatment and thermal power plants, with an ongoing focus on its traditional markets in Germany, Scandinavia and Western and Southern Europe.

LAB is studying growth opportunities in markets further afield - particularly in China and Southeast Asia, and in countries in which CNIM is developing its activities.

The development outlook for offshore applications is bright; growth drivers include the incoming Marpol regulations and the need for compatibility with deNox and other technologies.

2.2.8 2020 activity review

A. Construction of waste-to-energy plants

- **Handover of turnkey waste-to-energy plants**

Kemsley, UK

- Client : Wheelabrator.
- Features: The facility was built in partnership with the civil engineering firm Clugston, and is equipped with two 35 t/h units, giving it an annual processing capacity of 275,000 tonnes of waste. It generates 60 MWe. The VapoLAB™ flue gas treatment system was supplied by LAB (a CNIM subsidiary).
- The customer formally accepted the plant on July 16, 2020, despite the impact on the commissioning process of the COVID-19 pandemic, and the bankruptcy in December 2019 of the civil engineering subcontractor Clugston.

Avonmouth, UK

- Client: Viridor (Pennon Group)
- Features: This waste-to-energy plant was built in partnership with Clugston, a British civil engineering contractor. This facility, featuring two 20.6 t/h units, will export up to 34 MWe to the grid and is equipped with a SecoLAB™ flue gas treatment system supplied by the LAB subsidiary.
- Acceptance was completed on December 16, 2020.

- **Poursuite des contrats de conception et de réalisation de centres de valorisation énergétique clés en main**

Belgrade, Serbia

- Client: Beo Čista Energija (BCE), an SPV set up by a consortium between Suez, Itochu and Marguerite.
- Features: In 2017, the SPV awarded CNIM a turnkey contract for a waste-to-energy plant featuring a 43.5 t/h unit (max. capacity: 49t/h) with an annual processing capacity of 340,000 t/yr. The new plant will generate 33 MWe of

electric power and supply an urban heating network. The LAB subsidiary will supply a SecoLAB™ flue gas treatment installation and maturation silo.
- Handover is scheduled for the final quarter of 2022, owing to the COVID-19 pandemic, which has impacted deliveries of major components as well as construction activities. Mechanical installation work began in Q4 2020.

Troyes, France

- Client : Veolia.
- Features: In May 2017, Veolia and CNIM entered into a contract concerning the supply, installation and commissioning of the Process work package for the waste-to-energy plant in Troyes. An initial service order was issued under this contract in 2017, covering studies relating to the planning application and design studies for the planned plant's principal equipment systems. The plant will process half of the household waste produced by the Aube department, i.e. 60,000 tonnes, as well as 5,000 tonnes of non-hazardous industrial waste and 10,000 tonnes of wood. The waste-to-energy plant will supply energy to local industries, heat homes and generate electricity. It will generate 41 GWh of electricity, equivalent to the power consumption of nearly 50,000 people, as well as 60 GWh of thermal energy, covering the consumption of nearly 8,900 people.
- The second works service order was confirmed in October 2018, upon obtaining planning consent, with handover expected in Q3 2021, as a result of delays arising from the COVID-19 pandemic.

Sharjah, United Arab Emirates

- Client: Joint-venture between two local stakeholders, Masdar and Bee'ah.
- Features: The plant will consist of a single 41 t/h unit with an annual capacity of 300,000 tonnes of municipal waste. It will supply 227 GWh of electricity to the grid each year. The VapoLAB™ flue gas treatment system will be supplied by LAB (a CNIM subsidiary). The contract also covers the operation of the plant for a 25-year period.
- Work at the site continues apace. Completion is scheduled for 2022, reflecting delays attributable to the COVID-19 pandemic.

Earls Gate, UK

- Client: Joint-venture between Brockwell Energy Ltd, Green Investment Group and Covanta
- Features: This contract covers the plant's construction and subsequent operation for a 25-year period. The plant will have two 33.75 t/h units with an annual capacity of 216,000 tonnes of waste. In addition to injecting 21.5 MWe to the network, the plant will export thermal energy, in the form of steam, to the nearby Calachem plant. The VapoLAB™ flue gas treatment system was supplied by LAB (a CNIM subsidiary).
- Handover is scheduled for 2022, taking into consideration the slower-than-anticipated pace of construction activities due to the COVID-19 pandemic.

Pierrefonds, Reunion Island

- Client: Syndicat mixte de traitement des déchets des microrégions Sud et Ouest de La Réunion: ILEVA, formed to pool resources spanning three intercommunal entities: Communauté d'Agglomération du Sud (CASUD), Communauté Intercommunales des Villes Solidaires (CIVIS), Communauté Intercommunale d'Agglomération du Sud (TCO), as well as Reunion Island's Regional Authority.
- Features: In late 2018, CNIM was notified of a contract to build a 'Southern waste management facility', to comprise a 140,000 t/year solid recovered fuel (SRF) preparation facility, a 30,000 t/year SRF reception unit, a 10,000 t/year green waste reception unit and a 15,000 t/year biowaste reception unit. This center will be equipped with an anaerobic digestion unit and a waste-to-energy plant designed to process up to 13 t/h of SRF produced onsite or offsite, generating 110,000 MWh/year of electricity for 60,000 residents. CNIM, working with a local partner, will also operate the center for a 10-year period. This contract included an initial phase covering design studies relating to the planning application and operating license application process. The second phase, effective when planning permission and the operating license have been granted, is expected to be confirmed in mid-2021.
- Handover is slated for 2024, due to the delay in submitting the planning application.

Lostock, UK

- Client: Lostock Sustainable Energy Plant (LSEP), an SPV formed by CIP Copenhagen Infrastructure Partners (60%) and FCC Environnement (40%).
- Features: The March 2019 contract concerns a plant with two 43.2 t/h units, providing an annual capacity of 728,000 tonnes of waste. The facility will have an installed capacity of 76.9MWe. The SecoLAB™ flue gas treatment system will be supplied by LAB (a CNIM subsidiary). FCC will be responsible for plant operation and maintenance throughout the facility's service life. The project features a substantial phase of enabling works, consisting in removing existing utilities (whether or not they are currently in service) from the area of the site that will be occupied by the new plant.

- Handover is planned for 2024, as the COVID-19 pandemic delayed the enabling works.

Rambervillers, France

- Client: SUEZ RV ENERGIE (client and operator)
- Features: The March 2019 contract, divided into work packages, concerns the modernization of an existing plant. CNIM's work package centers on the installation of a 10.8 t/h incinerator unit designed to process up to 88,000 tonnes of waste per year. The plant will have a heating capacity of 28 MW, producing superheated steam at 400°C/60 bars to power a turbine system that generates electric power and supplies a district heat network. An FAM + SCR dry flue gas treatment system will be supplied by LAB (a CNIM subsidiary). The project consists in designing and building a new incinerator unit and fume treatment system to replace three existing units. The service includes compressed air production and instrumentation and control systems for the entire plant. Construction work began in January 2020, with the client continuing to operate an existing unit.
- Acceptance is scheduled for Q4 2021.

- **Construction of solar power plants**

In 2020, SUNCNIM commissioned and began temporary operation of the world's first Fresnel concentrated solar power plant with integrated energy storage, in Llo in southwest France. The facility will be operated by SUNCNIM for a 20-year period. The Llo plant has a power generating capacity of 9 MWe (covering the consumption requirements of more than 6,000 households) and incorporates an energy storage system enabling to produce electricity not only by day but also during part of the night.

B. Operation and maintenance of waste-to-energy and biomass-to-energy

Bakou, Azerbaijan

- Client: Azeri economy ministry / Tamiz Shahar.
- The 20-year operational phase of the contract, which began in 2015, continued in 2020 with another significant increase in the tonnage processed (reaching a record of 525,000 tonnes) and the quantity of electric power generated.
- Features: Two 33 t/h units with a total annual capacity of 500,000 tonnes of municipal waste and 10,000 tonnes of hospital waste. The plant (with a heating value of 8,500 MJ/t of waste) is designed to export 231,500 MWh of electricity per annum to the grid, which corresponds to the electricity consumed by 50,000 homes. As the plant replaces the use of landfill more than one tonne of carbon dioxide is saved per tonne of waste incinerated, resulting in a total reduction of at least 500,000 tonnes of carbon dioxide per annum.

Estrées-Mons, Somme, France

- Client: CBEM (SPV).
- The plant, handed over in February 2016, is operated by Picardie Biomasse Énergie (PBE). PBE was set up in 2018 following the alliance between SABEHF (Société d'Approvisionnement en Biomasse Énergie), a subsidiary of Akuo Energy, and CEB (CNIM Énergie Biomasse), a CNIM subsidiary.
  Features: This power plant is fuelled by clean biomass (wood from forest exploitation, sawmill by-products, wood from energy crops, shredded wood used in packaging and wood from the maintenance of green areas). It generates 13 Mwe of electricity and supplies energy in the form of steam to a nearby industrial company for use in its production process. SecoLAB™ flue gas treatment.

Nesle, Somme, France

- Client: Kogeban (SPV).
- Delivered in 2014. Operated by PBE.
  Features: The unit fueled by clean biomass (wood from forest exploitation, sawmill by-products, wood from energy crops, shredded wood used in packaging and wood from the maintenance of green areas) is now in operation. The power it generates is enough to meet the needs of a town of 5,000 households; three million tonnes of CO_2 will be saved over twenty years. The facility is designed to process 250,000 tonnes of biomass annually, producing 130 GWh of electricity and 300 GWh of heat energy for an industrial company.

Plouharnel, Morbihan, France

- Client: Auray Quiberon Terre Atlantique (AQTA).
- CNIM has operated the plant since December 2014. A feasibility study (firm tranche) for the installation of an energy recovery facility and an electricity generation facility was commissioned in 2014 and 2015. However, the client chose not to proceed with the optional tranche of works, with the plant continuing to operate unmodified in 2020 as a result.
- Features: The incinerator, which processes 31,500 tonnes of waste annually, was built in the early 1970s and does not have a waste-to-energy system. CNIM continues to operate the plant; plans to modernize the plant and carry out waste-to-energy works have been abandoned.

Saint-Pantaléon de Larche, Corrèze, France

- Client: SYTTOM 19.
- CNIM has been running the plant since 2013, via its subsidiary CNIM Centre France, and has replaced the previous flue-gas treatment process with a modern, patented treatment process that is capable of improving environmental performance while reducing the amount of resources consumed (75,000 m^3 of water saved annually).
- Features: The facility, which is able to treat up to 70,000 tonnes of waste per year, was built in the early 1970s. It consists of three units equipped with energy recovery systems, supplying energy to an industrial company and heat to municipal greenhouses. A new dry-process flue-gas treatment system was put into service (following work carried out in late 2013), cutting Nox emissions from 200 mg/Nm3 to 80 mg/Nm3, resulting in an 'R1' energy efficiency rating. In 2014, CNIM was awarded the contract to build and operate an electricity generation unit supplementing the plant's existing waste-to-heat energy system (work carried out in 2014). This system has been in production since early 2015.
  In late 2017, the client and a consortium consisting of CNIM Centre France and CNIM (with a heat-pump supplied by CNIM Industrial Systems) agreed a contract to build a system to recover trapped energy. Design and construction work began in 2018. Installation has been completed but the handover process was not initiated until late 2020, as the heat recovery network (outside CNIM's scope of supply) was completed behind schedule.

Thiverval Grignon, Yvelines, France

- Client: SIDOMPE.
- Features: In late 2016, CNIM won a call for tender covering “design, works, operation, maintenance and energy optimization of the waste-to-energy plant”. The contract covered works to improve energy efficiency and flue gas treatment, as well as the operation of the plant for a period of ten years. The work included replacing the first two units with a new unit, modernizing unit 3, replacing the turbo generator and modernizing the existing flue gas treatment facilities with VapoLAB™, using quicklime and SNCR/TermiNOxLAB™. Following completion of the works, the plant has a total power output of 17 MWe. It supplies electricity to 15,000 homes (compared with 6,000 before the work).
- The plant was officially handed over on December 9, 2019, and the 10-year operating period by the CNIM Thiverval Grignon subsidiary began on September 1, 2019. Operation continued in 2020, delivering very strong performance.

Thiverval Grignon, Yvelines, France – Centre de tri

- Client: SIDOMPE.
- CNIM has been operating the waste sorting plant since July 1, 2008, via its subsidiary CNIM Thiverval Grignon.
- Features: The plant has an annual processing capacity of 30,000 tonnes.
  The client extended the contract until March 31, 2021, to enable it to issue a call for tenders reflecting the waste sorting instructions introduced in early 2021. The center was shut down for four weeks during the initial phase of the COVID-19 pandemic, due to sorting personnel being obliged to work close together and the unavailability of sufficient quantities of protective equipment.

Pluzunet, Côtes d'Armor, France

- Client: SMITRED.
- CNIM has been operating the waste-to-energy plant since 2007 through its subsidiary CNIM Ouest Armor. In 2016, CNIM won the call for tender for renewal of the operating contract for a 12-year period with effect from June 2017.
- Features: The waste-to-energy plant, which processes 57,000 tonnes of waste annually, was commissioned in 1997. This facility is equipped with a boiler and a turbine generator capable of generating approximately 17 GWh of electricity annually, as well as heat energy used for heating horticultural and market gardening greenhouses.

Lantic, Côtes d'Armor, France

- Client: KERVAL.
- CNIM has been operating the waste-to-energy plant since 2009 through its subsidiary CNIM Ouest Armor. CNIM modernized the site in 2009, and a year later built a green algae treatment unit with an annual capacity of 20,000 tonnes.
  The facility also generates electricity from photovoltaic panels. The operating contract was renewed in June 2020.
- Features: the waste-to-energy plant, which takes in around 35,000 tonnes of waste annually, was commissioned in 1999. This facility is equipped with two microbiological treatment units and a non-hazardous waste storage facility. The compost produced (around 10,000 tonnes per year) is approved for use in organic agriculture.

Hanford, Midlands, UK

- Client: Hanford Waste Services.
- CNIM built the waste-to-energy plant and has been operating it since 1999 through its subsidiary MES Environmental Ltd. The operating contract has been extended for a five-year period ending in March 2025.
- Features: 210,000 tonnes of household waste are treated annually, by two 12 t/h units, generating 98,000 MWh of electricity per year.
  The plant delivered strong performance in 2020, apart from its electricity production, which was suspended during August following damage to the turbine generator set. Repair works are expected to be completed in April 2021.

Stoke-on-Trent, Midlands, UK

- Client: Stoke City.
- CNIM operated the waste disposal facility since 1999, via its subsidiary MES Environmental Ltd., until the contract expired as planned in March 2020, after which the center was closed.
  Features: waste disposal center for residents of Stoke-on-Trent, processing 8,000 tonnes of waste annually.

Wolverhampton, Midlands, UK

- Client: Wolverhampton Waste Services.
- CNIM built the waste-to-energy plant and has been operating it since 1999 through its subsidiary MES Environmental Ltd.
- Features: 120,000 tonnes of household waste are treated annually, by two 7 t/h units, generating 45,000 MWh of electricity per year.
  The plant delivered very good performance in 2020.

Dudley, Midlands, UK

- Client: Dudley Waste Services.
- CNIM built the waste-to-energy plant and has been operating it since 1999 through its subsidiary MES Environmental Ltd.
- Features: 100,000 tonnes of household waste are treated annually, by two 6 t/h units, generating 37,000 MWh of electricity per year.
- The plant delivered very good performance in 2020.

Paris 17th arrondissement, France – Waste sorting center

- Client : Syctom.
- Operating in a consortium, CNIM is responsible for the design, construction and subsequent operation by its subsidiary CNIM Paris Batignolles (for a period of two years from completion of construction in May 2019) of this waste sorting center in central Paris.

C. Construction and operation of incinerator plants designed to extract metals from combustion ash

CNIM has built and currently operates a number of facilities that extract ferrous and non-ferrous metals from incinerator bottom ash:

- Roosevelt, USA: ash treatment (180,000 tonnes/year). Commissioned in 2017. This center has delivered good performance following modification works that commenced in 2019 and were completed in 2020.
- Red Wing, USA: ash treatment (120,000 tonnes/year). Commissioned in 2018. This contract was terminated and the facility sold to the client.
- La Vraie Croix, France: commissioned in 2014.

D. Optimization, refurbishment, revamping and maintenance services for waste-to-energy and biomass-to-energy plants and combustion plants

- **Principal orders and achievements in 2020**

Waste-to-energy plants

- **Monaco (Société Monégasque d'Assainissement):** The upgrade works recommended for 2020 arising out of the criticality study conducted in 2017/2018 were completed. In early 2020, the Monaco incinerator plant's bypass valve was replaced. This challenging operation to replace a component dating from the 1980's was completed with only a very brief outage of the common services. Lastly, in late 2020, the plume-suppressing heat exchangers were replaced during a maintenance shutdown.
- **La Rochelle, France (Veolia):** Concomitantly with the renewal of the operating contract at the plant in La Rochelle, Veolia awarded CNIM Babcock Services a contract for upgrade works on the nitrogen oxide treatment system (TERMINOx High Dust), flue gas treatment system (VapoLAB+) and waste-to-energy process. Work began in August 2020, and project acceptance is scheduled for late 2021.
- **Briec, France (Veolia):** Veolia was renewed as the operator of the Briec plant, using the TERMINOx High Dust nitrogen oxide treatment technology, among others. The relevant studies and procurement are underway. Work at the site will begin in April 2021.
- **Baku, Azerbaijan**: CNIM Environnement & Energie O&M contracted CNIM Babcock Maroc to produce a vaporizer tubesheet for Boiler 1.
- **Lostock, UK:** CNIM Environnement & Energie EPC contracted CNIM Babcock Maroc to supply the economizer units for the two boilers.
- **Boiler cleaning:** Explosion Power awarded CNIM Environnement & Energie Services the contract to install and maintain its "Shock Pulse Generator" gas explosion-based boiler and heat exchanger cleaning systems. After the pilot project in Colmar in 2017, followed by Monthyon, Vaux-le-Pénil and Brussels in 2019, CNIM installed machines at plants in Dinan and Avignon in 2020.
- **CNIM Boiler Monitoring System (CBMS)**: The prototype installed in Monaco has been industrialized, and CBMS is now commercially available, supplementing the SPG and CNIMCLEAN boiler cleaning systems.
- **EVERE, Suez Novergie Vedence, Suez Sisteron & VALINEA**: Scheduled and unscheduled maintenance services.
- **SERTRID**:

  - Scheduled and unscheduled maintenance services.

  - CNIM Babcock Services contracted CNIM Babcock Maroc to supply the B1 economizer system.

Biomass : coal - biomass transition

- **Le Moule 3, Guadeloupe – Caraïbes Énergie (Albioma) :**

  - Albioma Le Moule 3, formerly Caraïbes Énergie, renewed its partnership with CNIM in 2019 by awarding CNIM Environnement & Energie Services the works contract for the first of nine projects to convert Albioma's coal-fired power plants to run on biomass, as part of its energy transition program. This project concerned the Le Moule 3 plant in Guadeloupe. Despite having to shut down the work site in the middle of the installation phase, due to the COVID-19 pandemic, the work to convert the combustion systems from coal to biomass was completed and hot commissioning successfully conducted in 2020. Much of this work consisted in changing the fuel storage facilities, implementing a new boiler feed concept, and modifying the boiler's combustion system. Additionally, the CNIM Boiler Monitoring System (CBMS, see section 2.2.5.A) was installed for the first time at a biomass-to-energy plant. The facility was recommissioned and began generating electricity again at the end of the year, in accordance with the revised schedule proposed by our client following the suspension. Fine-tuning, acceptance operation and performance trials are planned for early 2021.

  - CNIM Babcock Maroc manufactured and supplied pressure equipment for the boiler at Unit 3 at the Albioma Le Moule site.

- **CPCU Saint-Ouen:** CPCU carried out a new campaign of biomass combustion trials on its unit equipped with an Ignifluid combustion grate. These trials were overseen by CNIM Environnement & Energie R&D personnel, with process support from CNIM Babcock Services regarding the necessary plant adaptation works. This third series of trials, for which operational services were provided to assist with managing the new fuels, will provide a basis enabling CPCU to define its coal-to-biomass conversion strategy. This conversion to wood fuel will yield significant reductions in NOx, sulfur and particulate emissions. CNIM Babcock Services also won the multi-year contract to maintain and requalify the energy recovery boilers in Saint Ouen and Vitry-sur-Seine.

Steelmaking

- **Fos-sur-Mer, France:** CNIM Babcock Services is providing through-life maintenance for the various boiler installations at the steelworks.

Agri-food/Sugar refining

- **Tereos Group:** CNIM Babcock Services carried out major works on steam lines.
- **Cargill Group:** CNIM Babcock Services is providing through-life maintenance for the various boiler installations at a plant in Haubourdin, and carried out the engineering studies relating to the modification and commissioning of the SEUM boiler.
- **Africa**:

  - **Morocco**: Services include supplying parts and subassemblies, as well as routine maintenance of bagasse- and coal-fired boilers.

  - **Sub-Saharan Africa,** for a sugar refiner:

    - Manufacture and supply of 10 superheater U-bend tubes for a BR boiler at a site in Cameroon.

    - In 2021, CNIM Babcock Maroc will supervise pressure equipment installation works on a BR boiler at a unit in Gabon.

    - Manufacture and supply of 37 superheater U-bend tubes for a plant in the Congo.

  - **Senegal:**

    - Manufacture, supply and installation services for a BR boiler re-tubing project. The manufacturing and supply work was completed in 2020. Installation is planned for 2021.

  - **Tunisia:** Supply of screen tubes for a boiler.

  - **Cameroon:** Supply of wall tubes for the left and right side screens for an SFMV boiler.

  - **Burkina Faso:** Supply of tubular parts for the pressurized parts of a BR boiler. CNIM Babcock Maroc is in charge of installation, which will be carried out in 2021.

Thermal power plants

- **Gazel Energie, Gardanne:**

  - Miscellaneous corrective maintenance works and preparations for the operation to install a low-temperature reheater.

- **Engie Montoir-de-Bretagne**: Requalification and through-life maintenance of the steam generator.
- **Niger:**

  - CNIM Babcock Maroc is to install 53 tubesheets for a boiler economizer at plant unit;

  - In January and February 2020, CNIM Babcock Maroc successfully carried out the work to install a boiler's left, right and rear bundles.

Chemicals

- **Yara Montoir-de-Bretagne:** Boiler repairs.
- **Borealis Nangis**: Boiler repairs and combustion optimization.
- **Mardyck, France**: CNIM Babcock Services began performance of a contract from Versalis France in 2018. This specialist in organic base chemicals chose CNIM to perform the design studies and modification works to convert the two boilers at its plant in Mardyck (France) to operate using gas exclusively. This contract is staggered over a three-year period.
- **Russia**: CNIM Babcock Services was selected to supply equipment for potentially recurrent major maintenance on power boilers at chemical plants.
- **Jorf Lasfar, Morocco:**

  - CNIM Babcock Maroc engineered, manufactured and supplied a superheater, including a ducts and lines work package, for a sulfuric acid unit. Installation and commissioning are planned for 2021.

  - CNIM Babcock Maroc manufactured and supplied three combustion chambers on behalf of Fives Pillard, for a project to build three fertilizer plants. Handover procedures began in 2020 and will be completed in early 2021.

  - CNIM Babcock Maroc won an order for work to replace a section of steam bypass line in a thermal power plant.

- CNIM Babcock Maroc has begun renovation works on an economizer at a sulfuric acid plant. The necessary equipment has been supplied and the work site established. Work at the site will be completed in 2021.

- CNIM Babcock Maroc was awarded the contract to refurbish an energy recovery boiler at a sulfuric acid plant. The necessary supplies, installation procedures and qualification processes were completed in 2020. Work at the site will be completed in 2021.

- **Safi, Morocco:** CNIM Babcock Maroc engineered, manufactured and supplied two superheaters for a sulfuric acid unit. Installation is planned for 2021.

Concentrated Solar Power

- **Ouarzazate, Morocco:** CNIM Babcock Maroc successfully carried out a project to entirely re-tube a superheater.

Metalworking

- **France**: CNIM Babcock Services carried out corrective maintenance works.

Papermaking

- **France**: Blue Paper, Fibre Excellence, Gascogne Paper and International Paper: revamping and through-life maintenance services.
- **Morocco**: Field services and supply of miscellaneous replacement parts for boiler maintenance activities.

Petrochemicals

- **France**:

  - CNIM Babcock Services totally overhauled a process boiler at a large petrochemicals complex.

  - Extensive work to re-commission two gas boilers during the first COVID-19 lockdown.

- **Côte d'Ivoire**: Order to supply replacement parts for a fire-tube boiler, including assembly and training services.
- **Morocco:** CNIM Babcock Maroc won a contract to upgrade an FML boiler, including the supply of tube screens and onsite work for a plant producing PVC, caustic soda, chlorine and bleach. Work will be completed in 2021.
- **Morocco:** CNIM Babcock Maroc won a contract to re-tube a condenser at a plant producing PVC, caustic soda, chlorine and bleach. Work will be completed in 2021.
- **Senegal:** CNIM Babcock Maroc is to provide boiler operation and maintenance training to staff at a refinery.

Utilities / Power generation / District heating

- **France**:

  - Gardanne / Saint Ouen: CNIM Babcock Services provides preventive maintenance services at France's most powerful biomass-to-energy plants (Uniper Gardanne and CPCU Saint Ouen).

  - District heating network boiler plants: boiler maintenance for large heating network operators.

- **Caribbean & South America:**

  - CNIM Babcock Services is providing ongoing support to a national power generator in the Caribbean, providing services and strategic components required for a reliability-enhancing refurbishment program at its largest thermal power plant.

  - CNIM Babcock Services is rolling out its business to South America, performing technical audits of steam generators in the power generation sector.

Boilers

CNIM Babcock Maroc manufactures fire-tube boiler shells and other components for a French boiler manufacturer.

E. Reducing polluting emissions

- **Major orders and ongoing contracts in 2020 for the LAB subsidiary, with the parent company CNIM, relating to turnkey design and construction of waste-to-energy and biomass-to-energy plants**

Waste treatment

- **Beddington, South London, United Kingdom:** VapoLAB™ flue gas treatment system with injection of slaked lime and activated carbon. Warranty period.
- **Kemsley, United Kingdom:** VapoLAB™ flue gas treatment with injection of slaked lime and activated carbon. Warranty period.
- **Parc Adfer, United Kingdom:** VapoLAB™ flue gas treatment system with injection of slaked lime and activated carbon. Commissioning.
- **Avonmouth, United Kingdom:** SecoLAB™ flue gas treatment with slaked lime injection and maturation. Commissioning.
- **Thiverval, France:** Replacement of wet flue gas treatment by VapoLAB™ using quicklime + SNCR/TermiNOxLAB™. Warranty period.
- **Belgrade, Serbia**: SecoLAB™ with a maturation silo. Start of installation activities.
- **Troyes, France**: flue gas treatment: electrostatic precipitator + bag filter, VapoLAB™ process (using slaked lime and activated carbon). installation and commissioning.
- **Earls Gate, United Kingdom:** VapoLAB™ flue gas treatment system with injection of slaked lime and activated carbon. Design and engineering studies.
- **Rambervillers, France**: SecoLAB™ flue gas treatment system with injection of sodium bicarbonate and activated carbon, operating in conjunction with a selective catalytic reduction (SCR) system. Installation and commissioning.
- **Sharjah, United Arab Emirates:** VapoLAB™ flue gas treatment system with injection of slaked lime and activated carbon. Design and engineering studies.
- **Lostock, United Kingdom:** SecoLAB™ flue gas treatment with injection of sodium bicarbonate and activated carbon. Design and engineering studies.

- **Major orders and ongoing "non-Group" projects contracted by LAB in 2020**

Waste treatment

- **Tersa Barcelona (Spain):** Compliance and performance upgrade works at three existing waste processing units, including the installation of tail-end SCR deNOx units. Engineering and installation phase.
- **ARC - Amagerforbraending, Denmark**: GraniLAB™ flue gas treatment installation with condenser, water treatment system and heat pumps. Warranty phase.
- **Gloucester EfW – UBB Gloucestershire Construction JV, UK:** SecoLAB™ flue gas treatment. Warranty phase.
- **Kaunas, Lithuania**: Fortum domestic waste processing plant – turnkey flue gas treatment solution based on the SecoLAB™ process with a flue gas condensing installation. Commissioning and industrial operation.
- **Högdalen Stockholm, Sweden**: VapoLAB™ flue gas treatment system for a new unit, acting as a subcontractor of Martin GmbH. Installation and commissioning.
- **Yulin Chongqing Luoqi, China**: Engineering contract for four "zero-emission" flue gas treatment units and supply of key process equipment. DeNOx SCR and SecoLAB™ processes with maturation and finishing scrubber. Design and delivery of core process equipment.
- **EEW Stapelfeld, Germany**: Two-stage dry-process system + SCR flue gas treatment installation. Design phase.
- **EG Corporation, Pusan, South Korea:** Engineering contract for a wet system and supply of core process equipment. Design and engineering studies.
- **KEBAG ENOVA Zuchwil, Switzerland:** GraniLAB™ and SecoLAB™ flue gas treatment systems. Design and engineering studies.
- **Keppel Seghers / SIWMF Singapore, Singapore:** DedioxLAB® scrubbers. Design studies.

Biomass energy production

- **Denmark**:

  - Helsingor: SecoLAB™, condensation and condensate treatment system. Warranty period.

  - Hofor: SecoLAB™, condensation and condensate treatment system. Commissioning and industrial operation.

  - Ørsted: Flue gas condensation system for a biomass plant in Herning. Construction and commissioning. Warranty period.

Sludge treatment

- **Kenow Bremen, Germany:** SecoLAB^{TM} and GraniLAB^{TM} flue gas treatment and gypsum production systems. Design and engineering studies.

Marine scrubbers

- **CDA/MSC**: Two systems in operation and one system currently being installed in cruise liners. Warranty period.
- **Two German shipping lines:**
    - Order and design studies for 10 systems for container ships: two for delivery in 2019 and eight in 2020;
    - Order for four systems for container ships, for handover in 2020.
- **Hammonia**: Order for two systems for container ships, for handover in 2020.
- **GNV / MSC:** Order for eight systems for cruise liners; handover scheduled for 2020.

2.3 Innovation & Systems segment[2]

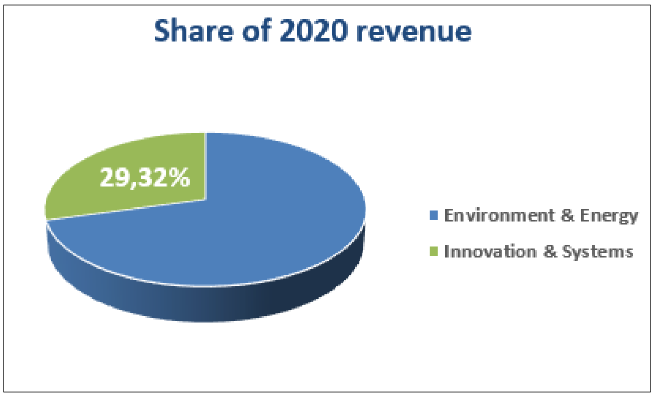
2.3.1 Profile

The Innovation & Systems segment comprises:

- CNIM Industrial Systems division, including the holding company CNIM Systèmes Industriels, based in La Seyne-sur-Mer, France, together with the operational subsidiaries CNIM Air Space (Ayguesvives, , France), CTE (China) and CNIM Singapore;
- Bertin Technologies and its subsidiaries.

Its customers are mainly large French and international contractors in the defense and security, maritime, space, nuclear, environmental and life sciences industries.

CNIM Innovation & Systems segment revenues (in € millions)		
2018	2019	2020
196.5	196.7	185.3



2.3.2 Products and services

A. CNIM Industrial Systems Division

The Industrial Systems division provides a unique offer for the development, production, installation and maintenance of innovative industrial equipment and systems. It is the industrial partner of key clients and entities in manufacturing high added-value components for various cutting-edge industrial sectors.

These products and services are backed by multidisciplinary technical expertise and first-rate manufacturing and integration resources.

The Division's main markets are:

a. Defense

- **Dissuasion**

CNIM has been particularly active in the field of strategic missile launch systems for ballistic nuclear submarines for more than 50 years. CNIM has therefore equipped the four generations of ballistic nuclear submarines of the Strategic Oceanic Force, which represents more than 250 missile-launch systems produced, tested and installed by CNIM on board submarines.

[2] Information at December 31, 2020

- **Systems for engineering corps**

CNIM has been developing systems to support engineering corps with three main missions: gap crossing, earthworks and path-clearing.

The Group has developed two product lines devoted to wet and dry gap crossing, intended for military forces worldwide:

- the motorized floating bridge (PFM) which enables armored vehicles and combat tanks to cross waterways; used by a number of armed forces, including the French army;
- the modular assault bridge (PTA) which performs exceptionally well in terms of crossing gaps using armored vehicles and combat tanks; used by the French army.

CNIM provides client armed forces with a comprehensive range of technical support, maintenance, training and modernization services for this equipment.

CNIM has developed the combat engineering vehicle (ECG) project to address the French army's earthworks needs.

For path-clearing missions, CNIM supplies robotic solutions based on existing land vehicle platforms.

- **Naval systems**

CNIM has developed a range of innovative amphibious landing craft that address the full spectrum of military requirements. The range includes L-CAT ship-to-shore and shore-to-shore fast catamarans, as well as the LCA and LCX vessels designed for projection of ground forces.

The L-CAT is already in service with the French and Egyptian navies, and the LCA is currently under development for the French military procurement agency, DGA.

Harnessing its expertise in naval environments, CNIM is developing a naval equipment product line with the aim of supplying high added-value critical equipment and subassemblies to French and European naval shipyards. For example, CNIM is a direct supplier of subassemblies for the FTI frigate (torpedo launch doors, sonar systems and radar interface) and the Gowind corvette (torpedo launch doors, sonar systems and weapon handling systems), as well as the Barracuda submarine (hatch systems and diver compartment).

- **Air defense and security**

Following the March 2019 acquisition of Airstar Aerospace, henceforth renamed CNIM Air Space, CNIM is organizing its activities relating to the development and production of tethered aerostats for defense and security missions through its contracts with Thales, in addition to producing stratospheric balloons for CNES and satellite heat shielding solutions for Airbus D&S and Thales Alenia Space.

This acquisition is also enabling CNIM to develop its activities for the Stratobus stratospheric airship program, alongside its partner Thales Alenia Space.

b. Nuclear Power and Large Scientific Instruments

CNIM offers the following services for the nuclear power and large scientific instruments markets:

- turnkey design, construction and commissioning of systems and equipment;
- production according to plan;
- integration of complex solutions in "demanding' environments, including on-site assembly;
- on-site installation and maintenance.

The Group has recognized expertise in:

- high-integrity, high-precision fuel handling and positioning systems (including spent fuel unloading solutions, systems for handling spent fuel at disposal centers, etc.);
- production of equipment suitable for challenging environments and subject to demanding standards (e.g. classified pressure equipment for the nuclear industry, or manufacture of the reactor block for the Jules Horowitz reactor (JHR));
- production of large and high-precision components using innovative materials and manufacturing processes.
- Integration of clean room systems and components.

c. Industrial solutions

The industrial facility at La Seyne-sur-Mer (Var, France) serves the energy, space and semiconductors industries, in particular through contracts for the manufacture of high added-value components.

B. Bertin and subsidiaries

Bertin Technologies and its subsidiaries have 630 employees, two-thirds of whom are engineers or accomplished managers. Operations focus on two business lines:

- Systems and instrumentation:
    - Instrumentation equipment
    - Special systems and technological development projects for third parties
- Information technology:
    - Cybersecurity
    - Data intelligence, including cyber intelligence and speech processing

Note that the energy and environmental consulting, engineering and innovative solutions business operated by Bertin Energie Environnement was sold to Naldeo Group on September 30, 2020.

2.3.3 2020 market overview

A. CNIM Industrial Systems Division

a. Defense

- **Deterrence**

Today, CNIM provides very high added value services and equipment for ballistic nuclear submarines in service and for the SNLE3G nuclear deterrent program. CNIM has good long-term visibility regarding this subject, whether in, design, manufacturing or R&D.

- **Systems for engineering corps**

The main features of this market include:

- in France, an ongoing modernization program for gap crossing systems, which will be completed in 2020;
- a revival in the European market for gap crossing solutions, under the impetus of recent geopolitical developments (involving NATO, Russia. etc.), reflected in the issue of calls for tender;
- new gap crossing systems designed to cope with the increased weight of next-generation combat tanks.

- **Naval systems**

Regarding naval activities, the market for landing craft and coastal patrol boats (principally for defense and civil defense use cases) presents sales opportunities in various countries around the world. CNIM's expanded range of vessels opens the door to a larger market.

CNIM supplies a range of ship-mounted weapon system handling and packaging equipment and critical subassemblies, special-purpose doors and hatches, as well as electromagnetic shielding solutions for submarines and surface ships.

- **Air defense and security**

Following the March 2019 acquisition of Airstar Aerospace, since renamed CNIM Air Space, CNIM is organizing its activities relating to the development and production of tethered aerostats for defense and security missions through its contracts with Thales, in addition to producing stratospheric balloons for CNES and satellite heat shielding solutions for Airbus D&S and Thales Alenia Space.

b. Nuclear Power and Large Scientific Instruments

- **Nuclear power**

In nuclear power, the target market comprises all the following:

- nuclear power plants, whether under construction or in operation, principally in Europe (including Hinkley Point C in the UK), for the supply of fuel handling solutions and the manufacture of classified nuclear equipment;
- facilities for upstream/downstream fuel processing, including storage and disposal facilities;
- support for the CEA with major projects relating to nuclear power and military applications.

- **Large Scientific Instruments**

- Megajoule Laser (LMJ): this CEA (French Atomic Energy and Alternative Energies Commission) program, with a strong technology focus, is a long-term endeavor (2000-2025). CNIM and its subsidiary Bertin Technologies have been involved in the LMJ in a design, manufacturing and maintenance capacity since the start, and operate at the LMJ site near Bordeaux;
- ITER nuclear fusion reactor: CNIM is currently a strategic partner of the ITER project, supporting ITER Organization and F4E. The Group's contribution is another long-term effort, extending to 2025 and beyond, principally in the form of two types of services: the manufacture of large components and the design and production of complex systems.

c. Industrial solutions

- **Space flight**

CNIM is industrializing the nozzle housings for the Ariane 6 program, using a large-dimension flow-forming process inspired by the approach adopted for the Ariane 5 housings, which have been in production since 2004.

- **Semiconductors**

CNIM plays a role in the industrialization and fabrication of large structural frames subject to severe dimensional constraints, for semiconductor lithography machines.

B. Bertin and subsidiaries

Bertin Technologies operates in sectors in which the technological issues are highly complex – defense and security, nuclear energy and radiation protection, aviation and space, energy and the environment and life sciences – with the aim of achieving growth both in France and further afield.

a. Systems & instrumentation

The Systems & Instrumentation business unit marshals its unmatched expertise to design, manufacture and market advanced instruments and systems worldwide, and to develop technologies for customers.

This unit is structured around five main business lines:

- defense and security (including nuclear, radiological, bacteriological and chemical (NRBC) threat detection, optronics and monitoring sensor networks);
- nuclear energy and radiation protection (products, systems and services relating to the detection, measurement and identification of ionizing radiation);
- life sciences (laboratory equipment, kits and reagents);
- space and large scientific instruments (high-performance optical and optomechanical systems);
- use of proprietary Sterilwave technology to process potentially infectious medical waste.

b. Information technology

Bertin IT publishes cybersecurity, cyber intelligence, strategic intelligence and automated speech processing software solutions. The company's product range addresses the complex requirements of public and private-sector stakeholders operating in areas such as defense & security, banking, transportation, energy, telecommunications, manufacturing and services.

Bertin IT's offer covers:

- security solutions for networks and sensitive data of strategic operators and essential service providers;
- clear, deep and dark web surveillance and investigation activities, for the purpose of anticipating major risks and threats;
- watch solutions for businesses and institutions seeking actionable information relating to their economic, technological, scientific or regulatory environments, enabling them to define their strategy and foster innovation;
- processing of multilingual audio and video sources (using automatic speech processing) for multiple applications, including media monitoring, banking compliance and voice-oriented IA for contact centers.

c. Energy & Environment

On September 30, 2020, Bertin Technologies disposed of its Bertin Energie Environnement business (BEE) to Naldeo Group.

2.3.4 Market position (internal sources)

In the defense and nuclear power sectors, CNIM's industrial competitors may include direct competitors, partners or customers, depending on the business context.

A. CNIM Industrial Systems Division

a. Defense

- **Systems for engineering corps**

Present in this field are the major land armament systems manufacturers (e.g. General Dynamics and KMW) as well as SMEs/midcap companies specializing in mechanical engineering.

- **Landing craft**

Present in this field are the main defense systems manufacturers (Navantia, Textron, Damen, BMT etc.), as well as local shipbuilders.

- **Naval equipment**

This segment is served by the major naval systems manufacturers (such as L3 Harris and McGregor) as well as local small/midcap companies (e.g. Meunier, Exo and Reel).

- **Defense and security aerostats**

The main players in this space are American (T-Com and Lockeed Martin) and israeli (RT LTA), along with one French company (A-NSE).

b. Nuclear Power and Large Scientific Instruments

Principal competitors and partners:

- in Nuclear Power: companies specializing in handling systems for nuclear environments (e.g. REEL, Nuvia, etc.) as well as midcap companies specializing in similar fields;
- in Large Scientific Instruments: international competitors, in particular large industrial firms and recognized integrators in field and also specialist midcap companies (for example, ALCEN, SIMIC, Walter Tosto and ENSA).

c. Industrial solutions

European industrial SMEs and midcap companies manufacturing high added-value mechanical components.

B. Bertin and subsidiaries

Operators vary significantly between sectors:

- in defense and security: the large industrial prime contractors and international equipment manufacturers such as Brücker and Smith Engineering;
- in equipment for life sciences: competition in this field is international (large industrial firms and distributors);
- in radiation protection equipment and radioactivity detection gates: international competitors such as Mirion and Berthold, and for environmental radiological monitoring networks: Envinet, in particular;
- in multi-sensor surveillance networks (Exensor): international competitors such as Digital Barriers, Elbit, ARA and MCQ Inc.

2.3.5 R&D and new products

A. CNIM Industrial Systems Division

Research work performed in the Industrial Systems Division is aimed at maintaining state-of-the-art capabilities and developing proprietary technologies and products for the Division's target markets. This includes research in the following areas:

- maritime force projection systems: naval architecture and designs derived from the L-CAT®;
- land force projection systems: innovative wet gap crossing systems featuring significant improvements to the motorized floating bridge (PFM) products;
- nuclear energy: development of design activities relating to spent fuel handling systems, composite aseismic bearing pads and innovative hot isostatic pressing-based production techniques;
- aerospace systems: development, in association with Thales Alenia Space, of the design of mechanical systems for a stratospheric surveillance balloon, Stratobus™, that may be extended to the launch of tethered aerostats;
- green mobility: development of hydrogen storage solutions for land vehicles and integration of fuel cell systems.

CNIM is also continuing its research into metallic and composite materials and industrial processes, including developing innovative manufacturing processes (including flow-forming and friction stir welding (FSW)).

Further to the March 2019 takeover of Airstar Aerospace, since renamed CNIM Air Space, CNIM has been developing an autonomous airship (drone) in partnership with RTE, to enable automatic inspection of linear infrastructures such as high-voltage power lines.

B. Bertin and subsidiaries

Research, development and innovation (RDI) is second nature for Bertin Technologies and its subsidiaries, whether developing technologies for third parties or developing its own innovative technological products.

This preparation for the future is supported by the full array of RDI vectors, including subcontracting for research institutions and collaborative projects, as well as extensive in-house technical, scientific and project management expertise.

Contractual relationships between Bertin Technologies and leading academic institutions include collaborative agreements with the CEA-LETI, CEA-LIST and ONERA.

In a similar vein, Bertin IT is supporting the academic chair in Industrial Data Analytics and Machine Learning (IdAML) alongside Atos, the CEA, SNCF and Michelin (industrial partners) and ENS Paris Saclay and ENSIIE (academic partners).

The Winlight subsidiary maintains a constant, pro-active cooperation with Marseille Astrophysics Laboratory (LAM), a global leader in optical instrumentation for earth observation.

In terms of multi-partner projects, Bertin Technologies and its subsidiaries participate in national collaborative projects as part of competitiveness or future investment clusters, as well as European Union projects aligned with the Group's technological strategy.

Bertin Technologies is a founding member of the ASRC (association of contract research organizations) and is designated as a "contractual research structure" by Bpifrance and France-Innovation.

A number of employees of Bertin Technologies and its subsidiaries are members of the selection and assessment committees for R&D projects in France ad across Europe. This desire to contribute to the RDI ecosystem was reflected in 2020 by our participation in the Strategy and Scientific Committee for the Grand Défi Bio6 therapeutic drug production challenge.

Protecting intellectual and industrial property is an integral aspect of Bertin Technologies innovation policy. In 2020, Bertin Technologies submitted five new patent applications, and six patents were granted relating to equipment for the life sciences, optronics, ionizing radiation measurement and potentially infectious hospital waste treatment.

Bertin Technologies demonstrated its agile innovation capabilities by developing a rapid field test (yielding a result in under 15 minutes) to detect SARS-CoV-2, in partnership with Enalees and the Pasteur Institute, with support from the Ile-de-France Regional Authority.

Through its Winlight System subsidiary, Bertin Technologies has consolidated its expertise in nano-polishing optics, and works with LSBB-CNRS to produce large optical components for scientific instruments and the space industry.

2.3.6 Strengths

International growth, drawing on all the CNIM Group's core skills:

- Expertise in cutting-edge technology and large-scale project management, together with an ability to adapt to the varying needs of our customers;
- Expanding portfolio of proprietary products and technologies;
- Renovation work at the manufacturing plant in La Seyne-sur-Mer, in order to ensure industrial excellence for our customers (e.g. machining of large components, electron beam welding, 3D inspection of large components, clean rooms and auxiliaries, flow-formed rotating parts, heat treatment oven and composite material processing (carbon fiber, PU, etc.)) and enable skills transfer between the Group's businesses.

2.3.7 Strategy and outlook

A. Divestment in 2020

The energy and environmental consulting, engineering and innovative solutions business operated by Bertin Energie Environnement (BEE) was sold to Naldeo Group on September 30, 2020.

B. Defense

In response to the strategic orientations defined in France's Military Planning Act, the CNIM Group is adapting its defense portfolio to match the Armed Forces' new requirements, with investments in cybersecurity in France and strong international growth in systems for engineering corps and naval systems.

Bertin Technologies is positioned as a preferred partner for the French forces in the area of nuclear, radiological, biological and chemical (NRBC) threat detection, but also as a supplier of innovative and effective optronics solutions.

Bertin Technologies maintained its strong international growth, driven by its unique offer in NRBC threat detection equipment and systems, an expanded range of optronics-based surveillance solutions and remotely deployed sensor networks designed for force protection and critical infrastructure security.

C. Nuclear Power and Large Scientific Instruments

In the field of Large Scientific Instruments, alongside the continuing work on large-scale programs such as ITER and the Megajoule Laser (LMJ), CNIM's developments are centered on projects to develop or modernize large scientific facilities in the areas of matter and energy physics.

CNIM works with its subsidiary Bertin Technologies to develop and sell products, services and solutions for the detection, measurement and identification of ionizing radiation. The target markets are environmental monitoring and worker protection.

D. Industrial solutions

CNIM continued manufacturing bespoke equipment for various SMEs, mid-cap companies and large customers, including complex fabricated assemblies and components requiring large-scale and high-precision machining (for Ariane 6 nozzle housings, specifically).

Drawing on the Group's experience in space vehicle certification procedures, CNIM is developing hydrogen-electric hybrid power train integration solutions for heavy goods vehicles, including large-capacity tanks.

E. Developing synergies

CNIM's Industrial Systems and Bertin Technologies' joint sales, marketing and technical teams coordinate their multidisciplinary expertise to offer differentiating design services for the nuclear power, large scientific instruments and defense markets, as illustrated by the ITER and the Megajoule Laser projects, the overhaul of the motorized floating bridge (PFM), SPRAT and the Sterilwave hospital waste sterilizer.

2.3.8 2020 Activity Review

A. CNIM Industrial Systems Division

a. Defense

- **Deterrence**

In 2020, CNIM continued work designing, manufacturing and integrating missile launcher systems for current and next-generation ballistic nuclear submarines. Work to replace the missile launch tubes on the "Le Terrible" submarine also got underway in 2020.

- **Systems for engineering corps / Naval systems**

Motorized floating bridge (PFM)

In 2020, the French defense procurement agency DGA approved the qualification of the modernized motorized floating bridge (PFM F2) The first PFM F2 system (an MLC 40 ferry) was delivered in June 2020, and immediately deployed to an operation in Côte d'Ivoire. This ongoing deployment has been very successful, showcasing the suitability of the PFM system. All the other PFM F2 systems have been produced and are scheduled for delivery in 2021.

In parallel to these activities, development of a new generation of floating bridge, the PFM F3, continued in 2020. Even the heaviest existing and future tanks will be able to use this next-generation gap crossing system which is designed to have a very compact logistics footprint (in terms of vehicles and personnel) and be easier to deploy. This new version of the motorized floating bridge addresses the requirements of NATO forces, as articulated in the two European requests for tenders in progress at the time of publication.

Combat engineering vehicle

To address the needs of the French army, CNIM teamed up with TEXELIS to conduct the preliminary design studies for the new MAC (Moyen d'Appui au Contact) combat engineering vehicle.

Amphibious landing craft

The first two EDA-S standard landing craft were built and launched at the SOCARENAM shipyard in 2020, following on from the design phase completed in late 2019. The first two vessels are to be delivered to DGA for assessment in April 2021.

Naval equipment

Numerous milestones were achieved in naval equipment in 2020, including the handover of subassemblies for the Barracuda submarine (sail hatches, sump covers and diver compartment), the F21 program (torpedo containers), FDI (torpedo launch doors and sonar systems), and new orders were booked for the Barracuda and Gowind.

b. Nuclear Power and Large Scientific Instruments

- **Nuclear power**

In the area of fuel handling systems and secure and precision handling solutions, the Group's activities primarily concerned:

- spent fuel unloading trucks for EPR projects (final commissioning for the Taishan project in China, commissioning in Olkiluoto 3 in Finland, and design and procurement for Hinkley Point C);
- three fuel handling and transfer machines for the Onkalo geological repository project in Finland, under contract from Posiva Oy.

- **Nuclear industry manufacturing activities**

Jules Horowitz Reactor (JHR) project

In 2020, CNIM handed over the reactor block components ordered by AREVA TA (TechnicAtome) in 2014, which have now been installed at the site.

CNIM remains closely involved in the JHR project, as TechnicAtome also awarded the Group contracts to design and manufacture a variety of structures. Furthermore, CNIM is responsible - operating as the manufacturer, within the meaning of the applicable standard - for the design, regulatory filing and manufacture of nuclear pressure equipment.

- **Large scientific instruments**

Regarding large scientific instruments, CNIM's activities in 2019 centered primarily on the production of secure and precision handling equipment and the manufacture of high value-added components. Although CNIM worked on a variety of scientific programs in 2019, the main focus of activity was on the ITER and Megajoule Laser projects.

Nuclear fusion - ITER experimental reactor

ITER is an international scientific experiment aimed at demonstrating the technological feasibility of fusion energy, with a view to its industrial and commercial exploitation. The contracts awarded to CNIM since 2009 are a reflection of the Group's strategic decision to position itself as a long-term partner under this program. The collaborative effort focused in three main areas in 2020:

- design and production of special-purpose and high-precision handling equipment required for assembling key components of the "Tokamak" (CPRHS), and production of critical component qualification systems;
- manufacture of large components requiring the development of dedicated manufacturing techniques (e.g. production of divertor cassette bodies or vacuum vessel components);
- production of components made from composite materials, including the 10 pre-compression rings (PCR) handed over in 2020);
- CNIM also carried out installation work at the ITER site in 2020, in preparation for the Tokamak assembly phase.

Megajoule Laser (LMJ) Program

The LMJ is a major facility developed for the CEA's Simulation program. It is used to study the behavior of materials in extreme conditions and, thanks to the addition of the PETAL Laser, it is the most powerful known industrial laser.

Under the terms of a multi-year contract agreed in 1999, CNIM manufactures major components such as laser beam focusing and frequency conversion systems, as well as robotic systems for setting up such components in the facility.

c. Industrial solutions

France: CNIM continued to invest in new industrial equipment (including large-capacity machine-tools) in 2020, and won new orders for the space and semiconductor industries.

Space industry - Nozzle housings for Ariane launchers

With production for the Ariane 5 launcher winding down, CNIM continued to produce nozzle housings for the new P120c engine, which will be used on the new European Ariane 6 launchers.

CNIM is also rolling out flow-forming technology for the Ariane 6 nozzle housings, to comply with the constraints of the launcher market.

Ongoing diversification into mechanical components for the semiconductor industry

CNIM won a new contract to fabricate large, precision-manufactured frames for the semiconductor industry using an electron-beam welding process.

CNIM began construction of a new building that will enable these structures to be integrated in a clean room environment, and is extending its temperature-controlled machining shop by adding two new machining centers and a very large (8mx4mx2m) three-dimensional measuring machine.

China: CTE, CNIM's Chinese subsidiary, is continuing to expand and diversify via industrial equipment contracts (in nuclear energy, medical solutions, infrastructure, etc.).

CNIM continued to supply escalators for the Budapest metro via CTE.

In 2019 and 2020, CTE invested in dedicated machining equipment (three machining centers) and finishing equipment (plasma cutting and rolling systems), enabling added value on our proprietary products (such as Sterilwave, machine enclosures and marine scrubbers) to be insourced in 2020.

B. Bertin and subsidiaries

a. Systems & Instrumentation

- **Bertin Technologies' flagship project in 2020**

Bertin Technologies is actively contributing to the fight against the COVID-19 pandemic; in particular, Bertin Medical Waste has seen strong growth in activity levels since the start of the health of the emergency, supplying hospitals with systems for processing potentially infectious medical waste. Hospitals in many different countries, especially in Cambodia and Indonesia, are now equipped with these waste sterilizers, which use Sterilwave technology to help prevent the spread of coronavirus.

- **Projects by market**

Nuclear power and radiation protection

- Bertin Technologies was selected in 2020, after a competitive bidding process, for a multi-year framework agreement to supply radiation counters for the Swedish civil defense service. SaphyRad, the product responsible for winning this export order, was originally developed for a contract to supply the future radiation counter for the French army, recently awarded by the military procurement agency, DGA.
- Bertin Technologies, a well-established supplier of environmental radiation monitoring networks, was chosen to develop and supply a radiological, meteorological and waste monitoring network for the new EPR nuclear power plants currently being built by EDF at the Hinkley Point site in the United Kingdom.

Sterilization of potentially infectious medical waste

Bertin Technologies, via its Bertin Medical Waste business, was selected by the World Bank to supply 27 Sterilwave 100 hospital waste sterilizers and the necessary related infrastructures. These systems were installed in Cambodia during the second half of 2020, as part of the response to the health emergency.

Space and large scientific instruments

Bertin Technologies entered into another contract with Thales Alenia Space, covering the design and supply of test and calibration rigs for assessing the optical performance of the CO2I spectrometer included in the CO2M mission payload.

Life sciences

- Throughout the COVID-19 emergency, all Bertin Technologies personnel have worked tirelessly to maintain supplies of our equipment and consumables for the Precellys and Coriolis product lines. Priority was given to supplying customers that use this equipment for scientific research relating to the fight against COVID-19. In particular, our Coriolis biological air sampler was used by a number of hospitals to measure and fight contamination by airborne particulate matter.
- Bertin Technologies also partnered with a startup, Enalees, to launch a SARS-CoV-2 rapid detection solution that formed a natural fit with the company's existing NBC protection offer.

Defense and security

Operating in a consortium, Bertin Technologies was selected in 2020 for the DGA's Pronoia science and technology project focusing on next-generation self-protection measures for French army vehicles.

Winlight

For the second time, Winlight optical components were successfully launched into space aboard Perseverance, the robotic rover developed for NASA's Mars 2020 project.

Exensor

Exensor Technology (a Bertin Technologies subsidiary) and the Dutch Ministry of Defense entered into an eight-year framework agreement covering the supply of autonomous sensor networks to detect, classify and identify all kinds of ground-based threats.

b. Information technology

- ### Cybersecurity

Bertin IT launches a new cybersecurity solution for the military sector

Bertin IT partnered with Geoide to design a multi-level gateway that facilitates secure, bi-directional, real-time classified communications for strategic, operational and tactical use cases.

- ### Cyber intelligence

Bertin IT consolidates its leadership in its traditional market

Bertin IT's cyber intelligence solutions and expert support services have resulted in partnerships with new stakeholders across multiple government departments, addressing increasingly complex and specific use cases.

Bertin IT's state-of-the-art, speech-focused artificial intelligence (AI) appeals to institutional users and private-sector multinationals alike

Bertin IT has joined strategic partnerships and projects, providing embedded speech recognition capabilities for military organizations. This trend is expected to intensify in 2021.

The company also rolled out partnerships with key accounts in the area of banking compliance.

Bertin IT consolidates its status as one of the industry leaders in market intelligence

A number of French industrial groups and large energy utilities renewed longstanding relationships with Bertin IT, making multi-year commitments to our collaborative market intelligence platform.

2.4 Principal changes since year end

COVID-19 epidemic

The COVID-19 epidemic took hold in 2020, and has continued to progress in 2021, prompting many countries in which the Group operates to implement strict measures in an effort to slow the rate of spread. The related risks to which the Group is exposed are described in section 2.12.

Opening of a new conciliation procedure

The 2020 conciliation protocol established a principle whereby the Group would seek affiliation solutions. Accordingly, the Group initiated this process immediately on agreeing the protocol, sustaining its efforts throughout the second half of 2020.

Faced with an absence of global offers satisfying all the approval criteria defined by the various stakeholders, it was acknowledged in January 2021 that the affiliation and divestment program could not be completed and that an alternative scenario to a full or partial affiliation would have to be defined.

Against the backdrop of the 2020 crisis, the losses incurred and the consumption of cash reserves not replenished by major new orders have increased the working capital requirement for 2021.

Accordingly, acknowledging the need to restore equity, the Group continued its financial restructuring and, with the agreement of its creditors, applied to initiate a second conciliation procedure; this request was granted by the Commercial Court on February 4, 2021.

Subject to formal approval by the Commercial Court, this protocol, signed by all stakeholders on May 21, 2021, stipulates a series of measures as described in section 2.11.

The aim is for the Group to emerge from the restructuring process in a stable situation and able to durably conduct its business. With the exception of the divestment processes announced on February 17, 2021, this new stage of restructuring does not focus on additional divestment, but on harnessing the support from the French government and the Group's creditors to ensure that CNIM Groupe is able to execute its business plan and continue to excel in satisfying the requirements of its business activities.

Transfer of the registered office to Levallois Perret

Further to the sale of CNIM Groupe's registered office located at no. 35 rue Bassano – 75008 PARIS and the expiry of the lease granted until March 31, 2021, the Board of Directors on December 18, 2020 approved the transfer of the registered office to no. 64, rue Anatole France - 92300 Levallois Perret, with effect from March 15, 2021.

Planned divestments

As part of the affiliation and divestment program defined in the conciliation protocol, various partial divestments are currently underway, as follows:

- disposal of the O&M business, via the disposal of (i) the shares in CNIM ENVIRONNEMENT & ENERGIE O&M and CNIM Thiverval Grignon held directly by CNIM Groupe and, (ii) the shares in CNIM Azerbaijan Ltd and CNIM Engineers FCZ held indirectly by CNIM Groupe. Under these arrangements, the following companies would be transferred to a third party: CNIM ENVIRONNEMENT & ENERGIE O&M, CNIM Thiverval Grignon, CNIM Centre France, CNIM Terre Atlantique, CNIM Insertion, CNIM Ouest Armor, CNIM Activ'Emploi, CNIM Paris Batignolles, MES Environmental Limited, CNIM Azerbaijan Ltd. and CNIM Engineers FCZ.
- disposal to a third party of all shares of BERTIN IT, subject to the prior disposal (i) to BERTIN TECHNOLOGIES of the participating interest held by VECSYS (20%) in VOCAPIA RESEARCH, (ii) and to BERTIN IT of the participating interest held by BERTIN TECHNOLOGIES (99.37%) in VECSYS.
- disposal to a fellow shareholder of the participating interests held by CNIM Groupe in KOGEBAN (10.87%), COGENERATION BIOMASSE D'ESTREES-MONS (7%) and PICARDIE BIOMASSE ENERGIE (44.94%).

EPC security trust and management agreement

On February 22, 2021, a Trust Deed was concluded between CNIM Groupe as Settlor, Equitis Gestion as Trustee, Credit Lyonnais (secured creditors Agent) and other banks as Beneficiaries and CNIM Environnement & Energie EPC as the Company.

Results of E&E EPC Division contracts

The Environment & Energy ECP Division's turnkey plant design and construction business continues to face certain challenges:

- The increase in the costs at completion of certain projects in the UK following the exceptional changes in the economic environment during 2021 linked to the appearance of the UK COVID-19 variant, the UK's departure from the European Union and the increase in the price of raw materials of approximately €15 million;
- A technical incident that occurred in 2021 concerning a plant accepted by the client, for which the cost of repair could reach €5 million. The Group does, however, intend to seek compensation from its suppliers and/or insurers.

2.5 Patents, licenses and trademarks

The CNIM Group holds a portfolio of 152 groups of patents, 110 of which are extended internationally, as well as 114 trademarks.

These patents cover the Group’s activities and in particular, flue gas treatments, residue treatments, solar energy and the activities of the Innovation & Systems segment.

The Group’s portfolio is divided between the parent company and the various Group subsidiaries, as specified below:

- CNIM Groupe owns one group of patents and 20 trademarks, some of which are licensed to its subsidiaries
- CNIM Environnement & Energie Services owns eight groups of patents and one trademark
- CNIM Systèmes Industriels owns 33 groups of patents and five trademarks
- CNIM Environnement & Energie EPC owns four groups of patents and one trademark, of which three groups of patents and the trademark were contributed by CNIM Groupe under the terms of the partial contribution of assets that came into effect on November 1, 2020.
- SUNCNIM, in which the Group holds a majority interest, owns eight groups of patents and three trademarks;
- LAB, wholly owned by CNIM, owns 46 groups of patents and 31 trademarks;
- Bertin and its subsidiaries own 52 groups of patents and 53 trademarks.

The Group does not earn any significant revenues using patents owned by third parties.

2.6 Group organization

2.6.1 Principal companies in the CNIM Group at December 31, 2020

The Group's subsidiaries are listed by business segment in Note 4 to the 2020 Consolidated Financial Statements.

Financial information relating to the Group's main companies is provided mainly in:

- Note 15 to the 2020 Consolidated Financial Statements (equity affiliates);
- Note 24 to the 2020 CNIM Groupe Financial Statements (parent company's subsidiaries and other holdings).

Principal jointly owned companies:

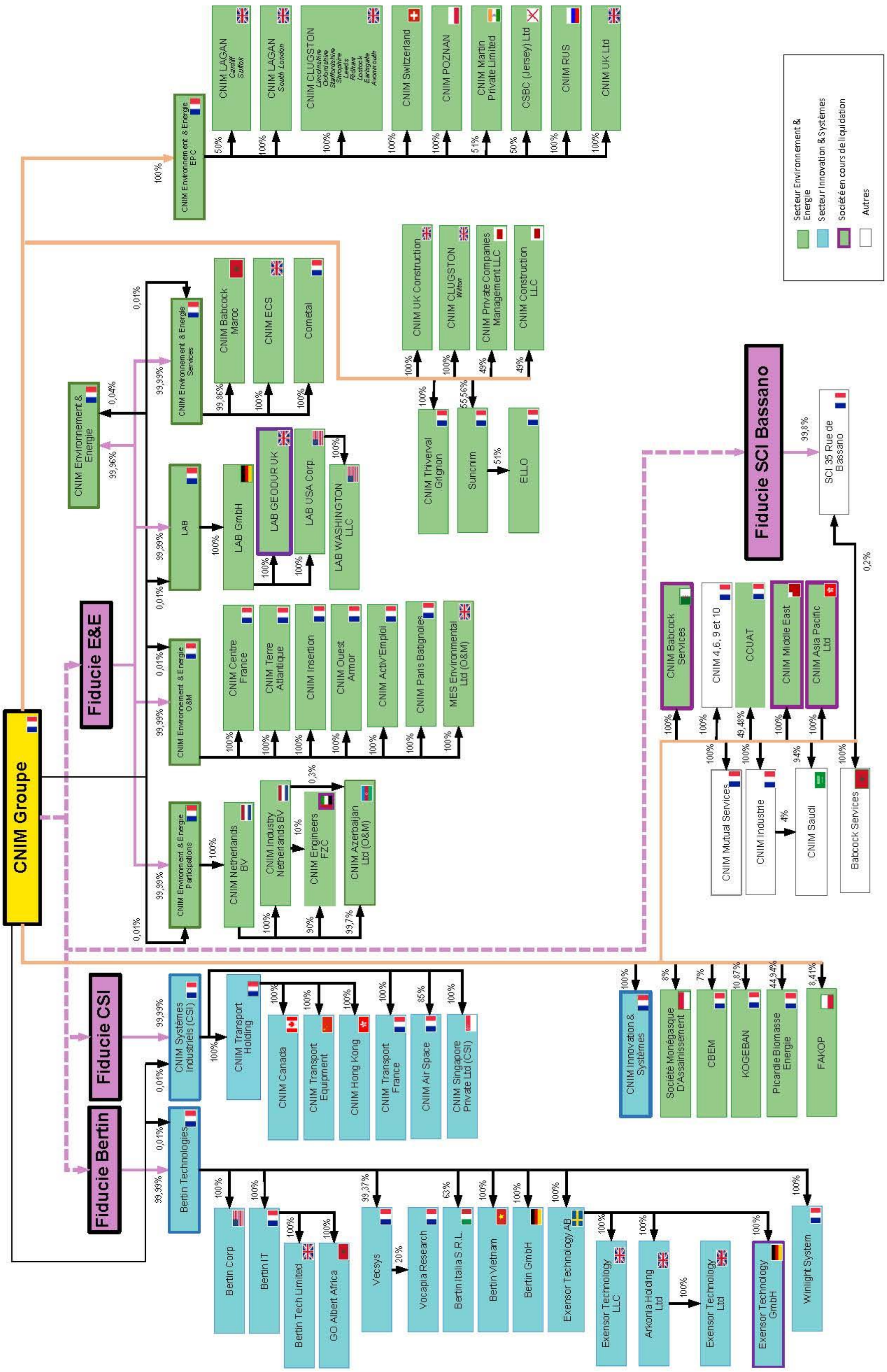
Environment & Energy segment:

- joint ventures established to execute waste-to-energy plant contracts in partnership with a civil engineering firm, Lagan, which transfer the respective shares of the contract to each partner (the relevant contracts are currently in their construction warranty phase);
- company under joint control with the investment firm ICON Infrastructure: CNIM Development, which holds investments in project companies in the UK; CNIM Development and its subsidiaries were sold on July 23, 2020.
- company under joint control with Novergie: CCUAT (operation of a waste-to-energy plant in France), dormant company;
- company controlled by the parent company, established with the fund Sociétés de Projets Industriels (SPI): SUNCNIM S.A.S. (turnkey construction of concentrated solar power plants);
- company under joint control with Caisse des Dépôts et Consignations: ELLO S.A.S. (construction and operation of a power plant generating electricity from concentrated solar power energy);
- company under joint control with Néréa: Picardie Biomasse Énergie SAS (operation of a biomass-to-energy plant in France).
- company controlled by the parent company, formed with Martin GmbH, a longstanding CNIM partner: CNIM Martin Private Limited (development of waste-to-energy and biomass-to-energy projects in the Southern and Southeast Asian markets).

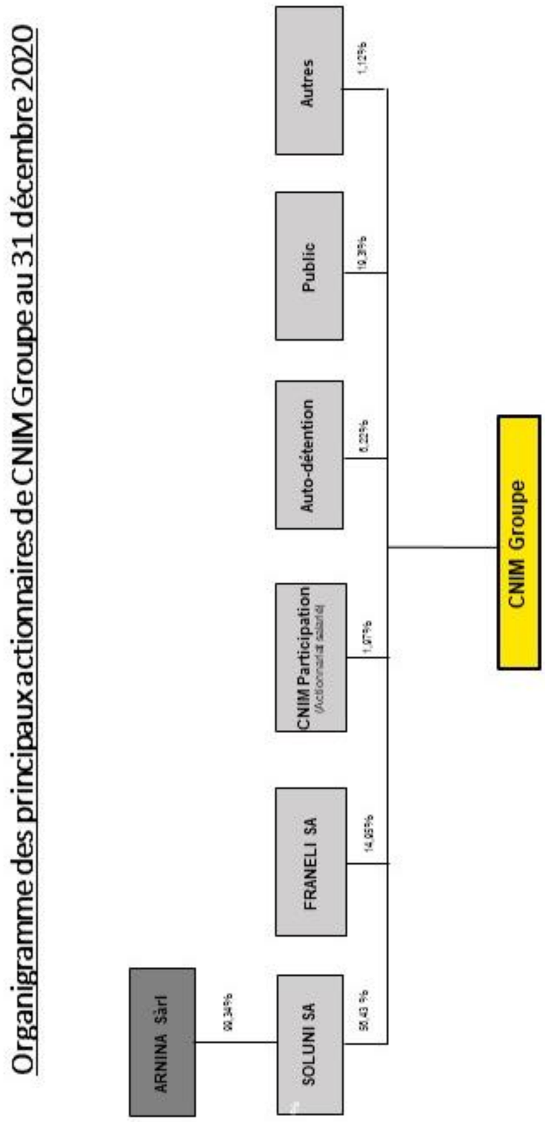
Innovation & Systems segment:

- company majority-owned by AVA Conseil: Technoplus Industries; CNIM Groupe divested its minority interest on November 4, 2020.
- Company controlled by the parent company, with Thales Alenia Space: CNIM Air Space (specializing in the design and manufacture of tethered aerostats, stratospheric balloons, airships and heat shielding for satellites).

Organigramme Groupe CNIM au 31 décembre 2020



2.6.2 Major shareholders of CNIM Groupe



2.7 Risk factors and overall risk management strategy

2.7.1 Risk factors overview

The Group operates in a fast-changing environment, resulting in many risks, some of which are external.

The risks described in section 2.7 are those identified by the Group as being liable to have a material adverse impact on its business, reputation, financial condition and/or trading results, based on their probability of occurrence and the estimated scale of the corresponding adverse impact. We describe only risks that are specific to the Group, highly critical from a net risk perspective, and important for investment decision-making.

They have been assessed to be major risks for the Group after conducting a risk mapping process. The Group's risk map is regularly revised, and in 2019 and 2020 was updated using the risk management approach described in section 2.7.2 below. It will be updated again in 2021.

Investors should note that the Group may be exposed, now or in the future, to other risks of which the Group may be unaware, or risks that may not have been considered by the Group as being likely to have a material adverse impact on the Group, its business, financial condition, trading results or outlook. The Group reserves the right to amend its assessment of the importance of risks at any time, in particular in response to new internal or external facts, or if their criticality were to significantly change at short notice.

The risks described in the following table are organized in descending order of importance based on materiality in each category.

Risk	Category	Criticality (High / Medium / Low)	Ranking	Description/ Example of scenario	Section
Risk of inefficiency in the process for project implementation	Operational	High	1	Defective project execution monitoring process.	2.7.3.1
Risk of inefficiency in analyzing E&E EPC projects at the bid stage	Operational	High	2	Defective project selection and management process at the bid stage.	2.7.3.2
Risk of default of a key co-contractor or sub-contractor	Operational	High	3	Risk of a key co-contractor or sub-contractor defaulting during execution of one of more major contracts, impacting the reputation of financial condition of the Group.	27.3.3
Risk of industrial accidents	Operational	High	4	Serious fire at La Seyne-sur-Mer, the Group's flagship industrial facility	2.7.3.4
Liquidity risk	Finance	High	1	Risk of being unable to cope with a significant increase in WCR Risk of being unable to issue bank guarantees required for bids or contracts	2.7.3.5
Defective crisis management	Strategic	High	1	Defective management of a crisis with implications for business continuity	2.7.3.6

2.7.2 Overall risk management strategy

The overall risk management strategy is based on a process for (1) identifying, (2) assessing and (3) ranking the group's major risks.

1. Risks are identified based on individual interviews with members of the Group's Executive Committee. A risk sheet is produced for each identified risk, describing:

- the risk;
- the root cause(s);
- the existing management provisions;
- the principal vulnerabilities/improvement areas;
- feedback;

- a risk materialization scenario or scenarios.

2. Risk assessment:

The gross risk takes account of both the following factors:

- the financial and/or human and/or reputational impacts;
- the probability of occurrence within a period of 1-5 years;

The net risk takes account of the gross risk plus the effectiveness of the existing risk control system.

Once the net risks have been identified, those for which significant areas for improvement have been identified result in actions coordinated by a member of the Executive Committee. Where the area for improvement is more limited, the risk remains under review, but the action plan is monitored not by the Executive Committee but by the operational or functional managers.

For each criterion, a risk scale appropriate to the Group was defined by the Executive Committee in order to identify which risks are liable to have a significant financial, human or reputational impact.

3. Ranking:

On completion of the assessment process, only risks with a high materiality rating (based on their severity and probability of occurrence) and/or risks for which the risk management system is the subject of a significant improvement plan are categorized as priority major risks. Such risks are specific to CNIM

Each of these risks is the subject of an action plan monitored by a member of the Group's Executive Committee, assigned to:

- define and supervise the action plan;
- define and monitor related risk and performance indicators;
- appoint one or more dedicated coordinators to manage these actions.

These action plans aim to reduce risks to within acceptable limits by eliminating, mitigating, transferring or accepting them.

In the light of the Group risk mapping process conducted in 2019 and 2020 (which will be updated in 2021), the Group applied this method to determine the principal risk factors to which it was exposed, and implemented the related action plans.

2.7.3 Principal risk factors

2.7.3.1 Risk of inefficiency in the process for project implementation

- **Risk description**

The Group sometimes carries out highly complex projects requiring significant capital investment and lengthy regulatory approval procedures. Numerous technical, industrial, operational, economic, regulatory, political, environmental or acceptability-related contingencies may arise while executing such projects, potentially compromising schedules, related costs or project profitability.

As such, the Group is exposed to a risk of defective execution of one or more projects. Inefficient project execution processes can result in delays, nonconformities, defective work and/or shortcomings by key partners, potentially detected at a late stage, affecting one or more projects, exposing CNIM to risks in terms of additional costs and penalties, "make good" work, contract terminations and/or impacts on the Group’s reputation or financial condition.

CNIM is exposed, particularly in its E&E EPC business, to a risk of schedule overruns, as described in section 2.8.3.1.B.a, due to defaults by co-contractors and/or subcontractors, and/or to complex working conditions.

- **Existing management measures**

The project organization and the monitoring and auditing process put in place serve to identify and mitigate these risks, via monthly and quarterly reviews attended by the project manager, activity managers (responsible for purchasing, engineering, civil engineering, etc.) and the relevant operational departments.

- **Continuous improvement measures and principal action plans**

CNIM is increasing the resources allocated to the project management process, schedule compliance and contract management; measures include a monitoring plan to enforce the applicable processes.

The principal action plans currently underway in the E&E EPC division concern:

- project management: four departments have been created and allocated additional resources, including one devoted to Civil Engineering and another to the Mechanical & Electrical business;
- schedules: monthly reviews are held on a per-project basis, using standardized reporting and performance indicators relating to physical progress, financial progress, follow-up of any technical or organizational issues, risk and opportunity monitoring, provisions and contingencies;
- contract management: a dedicated department has been set up and a contract manager appointed for each ongoing E&E EPC contract, providing additional human resources and routine support for operational personnel responsible for managing contractual relationships.

2.7.3.2 Risk of inefficiency in analyzing E&E EPC projects at the bid stage

- **Risk description**

The long term projects for which the E&E EPC Division bids are sometimes highly complex, and subject to demanding multiple operational, regulatory and contractual requirements. Inadequate analysis of the specificities of complex bids might result in the subsequent execution costs being underestimated, particularly in the following cases:

- incomplete or hasty risk analysis;
- Incorrect budget estimates (for example, outdated prices, incorrectly forecast material prices, or an underestimated mobilization schedule and related labor costs);
- late completion penalties, in the event that the project's work schedule is underestimated at the bid stage.

- **Existing management measures**

The E&E EPC Division operates bid review procedures that:

- provide for a thorough, iterative risk analysis, using a pre-formatted risk matrix including a list of items to check and control. These items reflect the customary parameters relevant to a long-term project: country and business environment, customer type, contractual organization and industrial schema of the project, profile(s) of key partner(s), scheduling risk, contractual clauses, exposure to exchange risks, major financial parameters, etc.;
- include multiple control steps along the path from identifying a business opportunity through to submitting a bid to the customer or signing the contract;
- define the conditions, prerequisites and thresholds that require approval before the bid is submitted.

- **Continuous improvement measures and principal action plans**

The E&E EPC Division's bid management process is in the process of being strengthened, to enable more selective bidding and improve risk management. The main measures to achieve this are as follows:

- implement a continuous improvement program focused on effective management of commitments and project management skills;
- consolidate and standardize the use of risk analysis and encryption tools;
- instate multiple governance tiers tasked with approving bids led by the Division, based on their nature and/or amount;
- set up a dedicated 'bid preparation' department, as well as a 'contract management' function tasked with promoting buy-in to the 'golden rules' defined by Management and helping to establish a feedback loop to capitalize best practice and lessons learned.

2.7.3.3 Risk of default of a key co-contractor or sub-contractor

- **Risk description**

In its E&E EPC business primarily, the Group is currently dependent on a limited number of industrial partners with specific expertise and the necessary experience. This situation stifles competition in markets where the Group is a buyer, and exposes the Group to a risk in the event of failure of one or more of its suppliers or service providers with specific expertise. A default by a key co-contractor or subcontractor could potentially impact quality and/or operational continuity for ongoing contracts, or affect the cost of the services provided and products delivered.

Considering the Group's significant contractual commitments relating to schedule compliance and/or performance, a default risk, if it were to materialize, could potentially lead to additional execution costs, penalty payments, 'make good' work, contract terminations and/or reputational damage.

The consequences of financial default by partners responsible for civil engineering for the E&E EPC business are described in section 2.8.3.1.B.a).

- **Existing management measures**

CNIM performs a risk analysis during the process of selecting critical partners, sub-contractors and suppliers, the results of which may lead to:

- the decision to refrain from contracting;
- a request for bank guarantees or parent-company guarantees;
- adjustments to payment terms to reflect the risk exposure.

- **Continuous improvement measures and principal action plans**

CNIM is enhancing its monitoring of key partners, subcontractors and suppliers from a financial (pre-order due diligence and subsequent periodic watch), technical (execution monitoring) and contractual perspective (contract management). CNIM is working to expand its supplier pools in order to avoid dependency, and taking steps to better ascertain suppliers' financial condition.

2.7.3.4 Risk of industrial accidents

- **Risk description**

At its flagship industrial complex in La Seyne-sur-Mer, CNIM is exposed to the risk of a fire that could potentially have severe health & safety and environmental impacts, while also causing the whole site to be closed initially, with parts of the facility continuing to remain unavailable for an extended period (estimated at 18-24 months for some CSI production activities).

If this risk were to materialize, it would result in outages and delays to CSI manufacturing and related production activities, as well as significant disruption to engineering activities by CSI and CNIM E&E.

It would expose CNIM to the risk of additional execution costs, penalty payments, contract terminations and/or reputational damage.

The Group also owns, operates or has previously operated facilities that, in the course of their routine activities, might cause industrial accidents with severe consequences for health & safety, the environment and CNIM's reputation.

- **Existing management measures**

Onsite fire risk analysis and prevention audits are regularly carried out in partnership with our insurers (every 2-3 years since 2006) and by an independent firm specializing in prevention of insurable risks.

Their respective recommendations are taken into account by CNIM, and are monitored by the Group, its insurers and its broker.

- **Continuous improvement measures and principal action plans**

Based on the audits and complementary internal risk analysis, CNIM will draw up a crisis management plan and a business continuity plan for the industrial sites in La Seyne-sur-Mer. As part of this effort, CSI is initially applying a business continuity plan defined for one of the essential production shops, which concerns a high-growth product.

2.7.3.5 Liquidity risk

- **Risk description**

CNIM is exposed to the following risks:

- inability to cope with a large increase in WCR in the E&E EPC division, liable to impact the Group's trading results or even its survival;
- inability to issue bank guarantees required for bids or contracts, potentially resulting in:
    - inability to bid for contracts;
    - non-execution of contracts;
    - non-payment of advances, as advance payments are typically conditional on the issuance of a deposit refund guarantee.

These risks primarily concern the E&E EPC Division, and to a lesser extent the Industrial Systems Division.

The cash position, debt and financial restructuring of the Group are described in sections 2.10 and 2.11.

- **Existing management measures**

Regarding working capital requirements, Group Executive Management conducts quarterly reviews of the consolidated profit/cash flow forecasts for the 'year in progress and the following year'. For the E&E EPC Division, this review includes a monthly contract-by-contract analysis of forecast inflows at each contractual billing milestone and forecast outflows. The cash flow forecast is studied for all Divisions, including EBITDA, WCR and investment analyses. Financing requirements are deducted from this Group cash flow forecast.

- Regarding bank guarantees, the Group manages the related availability risk as follows:
    - Monthly forecasts of outstanding bank guarantee amounts are produced (and audited by an independent expert on a quarterly basis), enabling the Group to effectively anticipate any likely exceeding of the maximum amount permitted under the credit terms applicable to the Group.
    - Bpifrance Assurance Export provides support in the form of export guarantees that reduce the credit risk borne by banks issuing guarantees for CNIM Groupe and its subsidiaries; as a result, banks are more willing to issue guarantees relating to the Group's bids and contracts in export markets.

- **Continuous improvement measures and principal action plans**

The significant losses incurred since 2019 led to a financial restructuring plan. This plan seeks to restore the Group's equity and ensure that sufficient cash is available to enable it to carry out its business as described in § 2.11.

2.7.3.6 Defective crisis management

- **Risk description**

The risk of defective management of a crisis may affect business continuity, and potentially cause lasting damage to the Group's reputation.

CNIM is principally exposed to crisis management risks relating to:

- operational incidents, such as industrial accidents, environmental damage, failings in a key project, cyber attacks, etc.;
- financial aspects and defective financial communication.

This type of event would expose CNIM to an exacerbation of the effects of a crisis, potentially impacting the Group's profits, reputation and even survival, as well as the trust of its partners, particularly in the event of a major industrial accident at the La Seyne-sur-Mer facility.

- **Existing management measures**

CNIM has put in place:

- a risk management process and approach, including setting up a crisis management team involving all Executive Committee members;
- an in-house network of communication and marketing coordinators (which has been operating for a number of years);
- a multi-year contract with a PR consulting firm;
- a conventional and social media watch solution.

- **Continuous improvement measures and principal action plans**

The crisis management team was activated in 2020, focusing on COVID-19 and health & safety issues.

The actions taken with regard to the COVID-19 risk are described in section 2.12 'COVID-19 impact on the Group's business'; those relating to the health & safety risk are described in section 4.3.3 'Health & safety'.

2.7.4 Certification of risk management systems, a risk mitigation tool

The CNIM Group companies have implemented quality, health & safety, environmental and energy management systems, which play a valuable role in controlling financial and non-financial risks. The table below lists Group companies' certifications in these areas.

	COMPANIES	SUBSIDIARIES / *Business Units*	LOCATIONS/ACTIVITIES	CERTIFICATES						
				QUALITY	LTH & SECURITY				ENVIRONMENT	
				ISO 9001	OHSAS 18001	ISO 45001	MASE	Others	ISO 14001	ISO 50001
CNIM GROUP ENVIRONMENT & ENERGY SECTOR	CNIM E&E EPC	CNIM E&E EPC	Paris, La Seyne sur mer	o		o			o	
		CNIM PRIVATE CONSTRUCTION MNGT	Sharjah (EAU)	o						
	CNIM E&E Services	CNIM E&E Services	La Plaine Saint Denis, Gardanne	o			o			
			La Plaine Saint Denis, Gardanne, Le Barp, Illzach, Wattrelos	o						
		CNIM Babcock Maroc	Mohammedia (Maroc)	o						
	LAB SA	LAB SA	Lyon	o		o	o		o	
		LAB GmBH	Stuttgart, Coburg	o		o			o	
	CNIM E&E O&M	CNIM THIVERVAL GRIGNON	Unité de Valorisation Energétique de Thiverval Grignon			o			o	o
			Centre De Tri de Thiverval Grignon			o			o	o
		CNIM OUEST ARMOR	Unité de Valorisation Energétique de Pluzunet			o			o	o
			Centre de compostage des déchets et de traitement des algues vertes de Lantic			o			o	
		CNIM CENTRE France	Unité de Valorisation Energétique de Saint Pantaléon de Larche		o				o	o
		CNIM TERRE ATLANTIQUE	Usine d'Incinération d'Ordures ménagères de Plouharnel		o				o	o
		CNIM Paris Batignolles	Centre De Tri de Paris Batignolles			o			o	o
		SUNCNIM	La Seyne sur mer	o						
		MES ENVIRONMENTAL LTD	Unité de Valorisation Energétique de Dudley (GB)	o	o				o	
			Unité de Valorisation Energétique de Stoke on Trent (GB)	o	o				o	
			Unité de Valorisation Energétique de Wolverhampton (GB)	o	o				o	
		CNIM AZ	Unité de Valorisation Energétique de Baku (Azerbaïdjan)		o				o	
CNIM GROUP INNOVATION & SYSTEMS SECTOR	CNIM Systèmes Industriels	CNIM Systèmes Industriels	La Seyne sur mer	o		o		CEFRI		
		CNIM China	Foshan (Chine)	o		o			o	
		CNIM Singapour	Singapour	o	o				o	
		CNIM Air Space	Ayguesvives	o						
	BERTIN TECHNOLOGIES	BERTIN Technologies	Montigny le Bretonneux, Aix en Provence, Thiron Gardais	o	o				o	
			Montigny le Bretonneux, Aix en Provence, Thiron Gardais, Montbonnot					CEFRI		
		Winlight	Pertuis	o						

**Note: the new certifications achieved in 2020 are highlighted in yellows*

2.7.5 Materiality of non-financial considerations

In parallel to the high-priority major risks monitored by the Executive Committee, the risks identified include the non-financial risks considered as major risks, within the meaning of Article L225-102-1 of the French Commercial Code. In order to identify its major non-financial risks, the Group has analyzed their materiality.

The purpose of this step was to:

1. ensure that all non-financial information referred to in Decree no. 2012-557 of April 24, 2012 on transparency by companies in employment and environmental matters was properly analyzed;

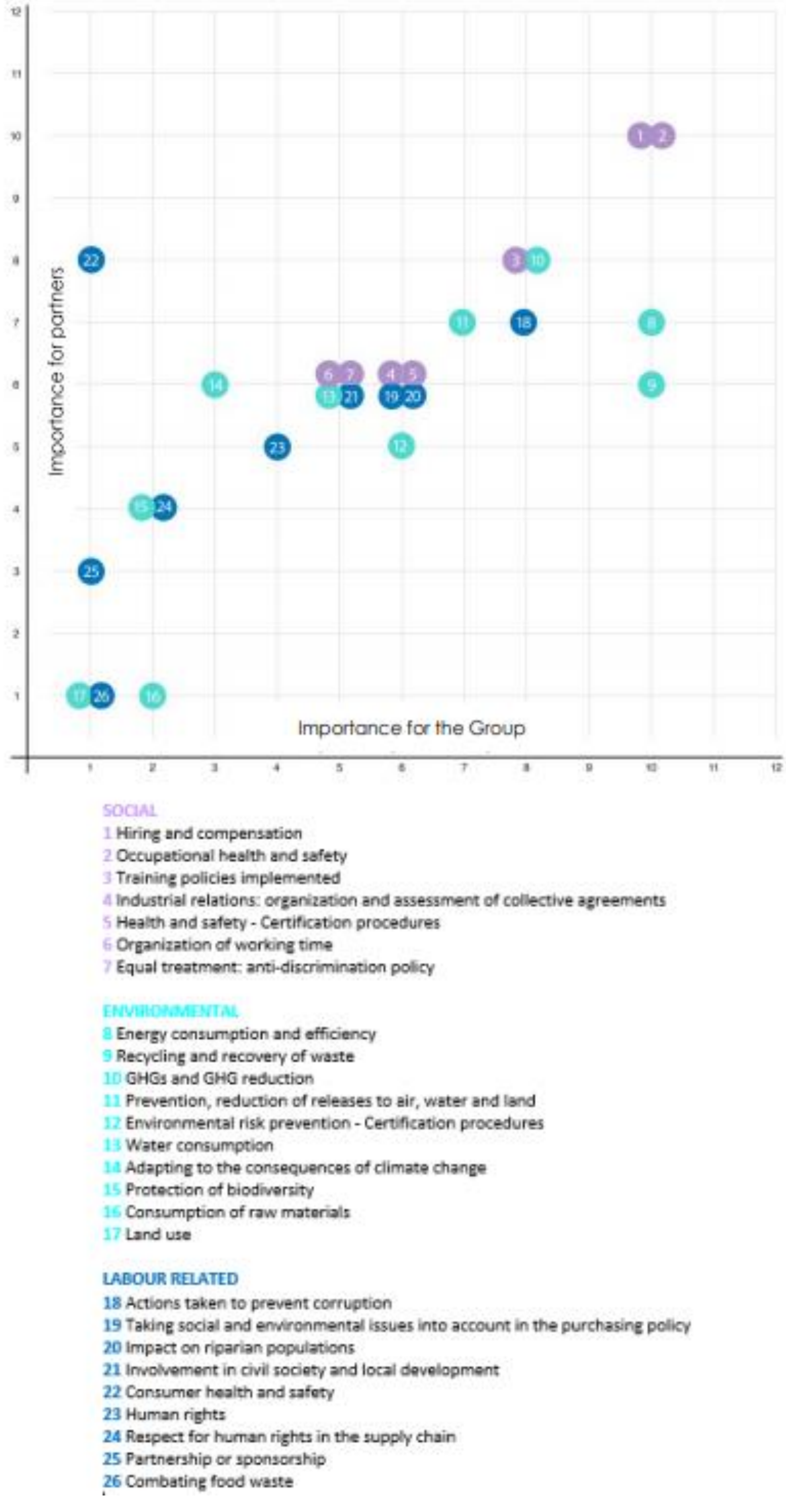
2. prioritize this information, taking into consideration the Group's activities, economic and non-financial environment and partners.

The initiative is coordinated by the CSR manager and was subject to internal approval procedures. It is based on an in-depth understanding of the Group and its multiple interactions with stakeholders. It is reviewed and updated each year, where appropriate and does not give rise to consultations with stakeholders.

Note on methodology:

- materiality is assessed based on the potential economic, human, environmental and reputational impacts;
- only the principal issues are monitored at Group level:
- depending on their materiality, other issues may be monitored at subsidiary or site level and, in such circumstances, the risk scale is adapted to the relevant structure.

Materiality matrix of the CNIM Group's non-financial risks for 2020:



The materiality matrix is used to rank the CNIM Group's major non-financial challenges based on net risk i.e. factoring in the risk control and continuous improvement systems already put in place. Consequently, it should be stressed that certain strategic areas for the Group are unable to be included in this matrix.

Following this analysis, the CNIM Group's principal non-financial considerations, which are monitored as required by French law (Article L.225-102-1), were identified as follows:

1. Attracting and retaining talent (1);
2. Health and safety (2);
3. Skills development and management (3);

4. Waste recovery (9);
5. Energy consumption and energy efficiency (8);
6. Prevention and reduction of atmospheric emissions (10 and 11);
7. Ethics and anti-corruption measures (18);

These principal non-financial considerations have been factored into the overall risk management strategy, as described in section 2.7.1.

GRI 102-47/103-1.

2.7.6 Insurance

To ensure that certain information cannot be used to the detriment of the interests of the Group and its shareholders, for example in the event of a dispute, the Group keeps insurance premiums and guarantee details strictly confidential, particularly those regarding civil liability insurance policies.

The main branches of insurance cover contracted by the Group are as follows:

- Property damage and lost production: the level of cover for damage insurance policies is determined according to the capital value that must be guaranteed, or failing that, a ceiling value corresponding to the "worst-case claim", subject to the customary conditions and limits;
- Comprehensive worksite insurance: cover amounts typically correspond to the amount of the works, subject to the customary conditions and limits;
- Civil liability: this type of policy covers the financial consequences of damage caused to third parties for which Group companies may be held liable. Cover amounts are determined according to the assessed legal risks and resultant financial impacts.

The Group considers its existing policies to be appropriate to its exposure profile, considering the conditions available on the insurance market in terms of capacity, scope of cover and contractual terms. The aforementioned insurance policies are subject to standard restrictions, exclusions and/or limitations of cover, which are subject to change in the event of modifications to insurers' terms and conditions, and/or changes to the risks to which the Group is exposed.

2.8 Group results

2.8.1 Highlights of the period under review

Significant losses due to difficulties executing some contracts and the COVID-19 health crisis

The Group made significant losses during the year, relating mainly to the design/construction of turnkey waste-to-energy plants. Significant provisions have had to be recognized, due mainly to additional losses affecting several projects in the UK. In addition, two external events significantly affected the costs of turnkey projects during 2020: the pandemic, which extended the duration of projects by about three months and increased some costs, and Brexit, which created tensions in the UK labor market.

The main risks identified during the period which the Group had to face due to the health crisis are detailed in section 2.12.

Financial restructuring

1) Conciliation protocol approved in 2020

The Group was significantly impacted by the losses suffered during 2019, which resulted in particular from the bankruptcy of a civil engineering partner involved in several construction contracts in the UK and to difficulties executing a contract in the Middle East, and by the resulting cash consumption. As a result, in 2019, it initiated a financial restructuring process in close collaboration with all of its partners, including the banking pool and its credit insurers (which underwrite bank loans), the French State and Martin GmbH (CNIM's longstanding industrial partner).

The process, which led to the initiation of a conciliation procedure on January 2, 2020, resulted in the parties signing an initial agreement in March 2020 before finalizing a conciliation protocol in April 2020. This protocol was approved by a judgement of the Paris Commercial Court dated June 23, 2020.

The restructuring measures are detailed in section 2.11.

2) Conciliation protocol in progress

In the absence of offers meeting the stakeholders' various validation criteria, the Group realized in January 2021 that this programme could not be completed and that an alternative scenario to full or partial affiliation had to be devised.

At the same time, the losses incurred and cash advances used on contracts due to the 2020 crisis have increased the Group's 2021 cash requirements, which have not been offset to date by the acquisition of major new contracts.

It is in this context, and given the need to replenish equity, that the Group continued its financial restructuring and, with the agreement of its creditors, asked for a second conciliation procedure to be initiated, which was confirmed by the Commercial Court on February 4, 2021.

The measures relating to this second protocol are detailed in section 2.11.

Asset disposals

As part of its financial restructuring and the affiliation and divestment programme which was the subject of the April 29, 2020 press release, the Group carried out the following divestments:

(in € millions)		**Date**	**Disposal proceeds net of disposal costs**	**Book gain or loss (consolidated)**
Paris registered office premises		04/17/20	40.7	31.9
Minority stakes in DWS, HWS and WWS	(1)	07/23/20	1.5	(1.4)
Bertin Technologies' "Bertin Energie Environnement" business	(2)	09/30/20	*1.3*	*(0.1)*
Minority stake in Technoplus Industrie		11/04/20	2.0	(3.4)

(1) The Group entered into an agreement with the investment fund iCON Infrastructure to sell its indirect non-controlling interests in Dudley Waste Services Ltd (DWS), Hanford Waste Services Holding Ltd (HWS), and Wolverhampton Waste Services Ltd (WWS), which own waste-to-energy processing plants in the UK. The conditions precedent to this agreement were lifted on July 23, 2020.

(2) The Group sold the Bertin Energie Environnement (BEE) business, which employs 70 engineers, to Naldeo Group.BEE provides its clients with expert assistance and advice on technologies, process engineering, industrial risk management, operational safety, industrial performance, renewable and decentralized energy production, software and digital solutions.

As detailed in Note 3 "Assets held for sale" to the 2020 consolidated financial statements, the sale of the O&M, Biomass and Bertin IT businesses is also at an advanced stage. The Group has signed the sales contracts, which will be finalized during the second quarter of 2021.

Change in governance

On July 31, 2020, at their General Meeting, the shareholders of CNIM Groupe approved the proposed change in CNIM Groupe's legal status to a French limited liability company with a Board of Directors (*Société Anonyme à Conseil d'administration*) as detailed in section 2.1.

2.8.2 Business in 2020

2.8.2.1 Order intake

The following table provides a breakdown of order intake by business segment for the 2018, 2019 and 2020 financial years:

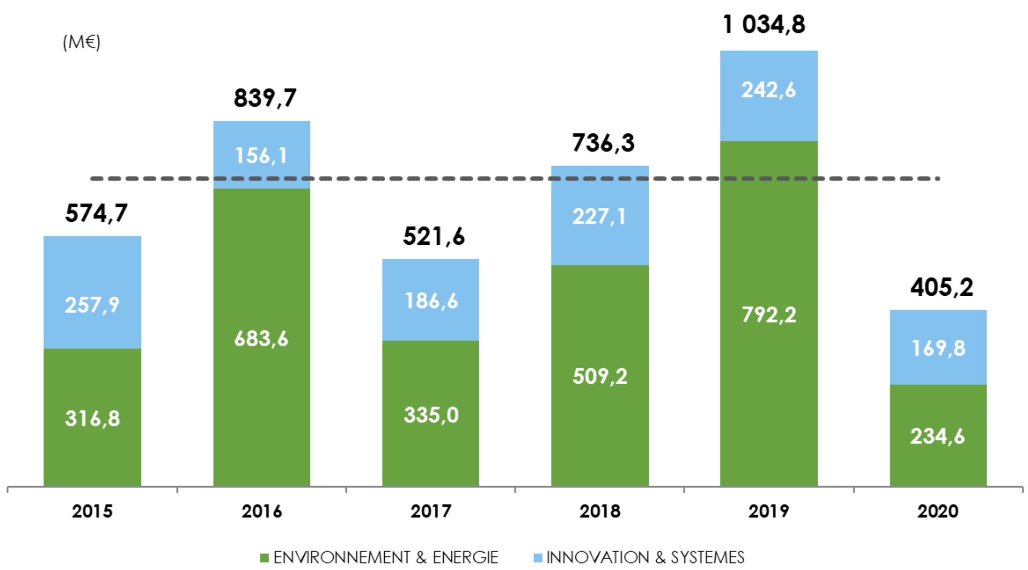
(in € millions)

	2020	2019	2018
Environment & Energy	234.6	792.2	509.2
Innovation & Systems	169.8	242.6	227.1
Unallocated	0.9	-	-
Group total	**405.2**	**1,034.8**	**736.3**

Order intake in 2020 was lower than in 2019. The decrease breaks down as follows:

- Group: -60.8%
- Environment & Energy business segment: -70.4%
- Innovation & Systems business segment: -30.0%

The level of orders in 2020 was 54.7% of the annual average for the period January 1, 2015 to December 31, 2019.



a. Environment & Energy

(in € millions)

	2020	2019	2018*
E&E - EPC	70.3	581.3	325.0
E&E - LAB	75.9	33.9	52.5
E&E - Operation	63.5	116.7	48.4
E&E - Services	24.9	60.3	83.3
Environment & Energy	**234.6**	**792.2**	**509.2**

* Reclassification of orders for ash treatment activities from the "LAB" Business Division to the "Operation" Business Division. The orders concerned totalled €3.1 million in 2018.

Four Business Divisions have been defined in the Environment & Energy (E&E) business segment:

- EPC: construction of turnkey waste-to-energy and biomass-to-energy plants;
- LAB: flue gas treatment solutions for household waste-to-energy processing plants, flue-gas scrubbing systems for merchant ship engines, and related services;
- O&M: operation and maintenance of household and biomass waste-to-energy processing plants as well as systems for the removal and recovery of heavy metals from incinerator ash residues;
- Services: optimization, rehabilitation, revamping and maintenance for waste-to-energy and biomass-to-energy centres and large combustion plants.

E&E turnkey plants (EPC): €70.3 million

In 2020, the EPC Business Division adjusted its backlog for the 'Civil Engineering' scope of the Lostock contract (UK) but no orders could be recorded due to uncertainties surrounding the Group's financial situation.

In 2019, the Group recorded orders for the construction of waste-to-energy plants in Lostock (UK), Rambervillers (France) and Belgrade (Serbia).

E&E flue gas treatment systems (LAB): €75.9 million

The LAB business division recorded a 123.7% increase in order intake compared with 2019, due mainly to orders for flue gas treatment and, in particular, waste treatment in Singapore and Switzerland and slurry treatment in Germany.

Conversely, order intake in the marine scrubbers market declined due to the health crisis.

E&E Plant operation (O&M): €63.5 million

The E&E O&M (plant operation) Business Division operated the same number of sites in 2020 as in 2019.

The orders for the financial year correspond mainly to the variable remuneration (deemed to be unearned under IFRS 15) to be recognized as revenue in the 2020 financial year in respect of operating contracts in progress. As of December 31, 2020, the Group operated the following household waste-to-energy and biomass-to-energy plants:

- France: Thiverval (78), Pluzunet and Lantic (22), Saint Pantaléon-de-Larche (19) and Plouharnel (56);
- UK: Stoke-on-Trent, Wolverhampton and Dudley;
- Azerbaidjan: Baku.

In 2019, the E&E O&M Business Division recorded the renewal of the operating contract for the Thiverval waste-to-energy plant as well as the five-year extension of the operating concession contract for a plant in the UK in which the Group held a minority interest.

E&E Services: €24.9 million

The fall in the “Services” Business Division's orders was due mainly to the lack of any significant order intake during the year.

In 2019, the “Services” Business Division received orders to replace, optimize and modify the flue treatment systems for the plants at Le Moule (Guadeloupe) for Albioma, La Rochelle (France) for Veolia and Berre l’Etang for LyondellBasell.

b. Innovation & Systems

(in € millions)

	2020	2019	2018
I&S – Industrial Systems Division	79.2	129.5	125.2
I&S - Bertin	90.6	113.1	102.0
Innovation & Systems	**169.8**	**242.6**	**227.1**

Two Business Divisions have been defined in the Innovation & Systems (I&S) business segment:

- The Industrial Systems Business Division, which provides a unique range of services for the development, production, installation and maintenance of innovative equipment and systems. It also performs manufacturing subcontracting contracts for various high-tech industrial business segments.
- Bertin Technologies and its subsidiaries, which operate in three major fields of activity:
  - Systems and instrumentation;
  - Information technology;
  - Consulting, engineering and innovative solutions for the energy and environment sectors, industry and local areas.

Industrial Systems Business Division: €79.2 million

The Industrial Systems Business Division generated orders of €79.2 million in 2020, representing a 38.8% decrease as compared with 2019. These orders break down as follows:

- Defense and Maritime: €32.5 million in the following activities: Deterrence, Systems for the projection of force,

  and equipment for airships;
- Electronuclear and Large Scientific Instruments: €20.7 million, with supplementary orders in the nuclear energy field for EPR projects and the Jules Horowitz Reactor (RJH) project as well as the ITER and Megajoule Laser (LMJ) scientific projects;
- Other industries: €25.9 million, including orders for the supply of fabricated frames for the semiconductor industry.

The decline in orders was partly due to the withdrawal from certain activities with low profitability.

Bertin: €90.6 million

2020 orders were 19.9% lower than in 2019. They break down by activity as follows:

- Systems and instrumentation: €79 million
- Information technology: €8.7 million
- Consultancy: €2.9 million

The changes between 2019 and 2020 break down by activity as follows:

- Systems and instrumentation: -14.8%;
- Information technology: -41.2%. This activity was the most seriously affected by the health crisis;
- Consultancy: -47.3%, taking into account the sale in 2020 of the Bertin Energie Environnement activities.

2.8.2.2 Order backlog

Movement in the backlog of each of the Group's business segments was as follows:

(in € millions)

	Back log at 01.01.2020	Change in consolidation scope	Orders	Revenues	Backlog at 12.31.2020
Environment & Energy	1 113.2	-	234.6	446.7	901.1
Innovation & Systems	314.7	(4.0)	169.8	185.3	295.2
Unallocated	-	-	0.9	0.9	-
Group total	**1 428.0**	**(4.0)**	**405.2**	**632.9**	**1 196.3**

The order backlog decreased by 16.2% during the financial year: -19.1% for the Environment & Energy business segment and -6.2% for the Innovation & Systems business segment.

2.8.3 Consolidated results

The consolidated income statement for the Group for 2020 and 2019 is set out below:

(in € millions)

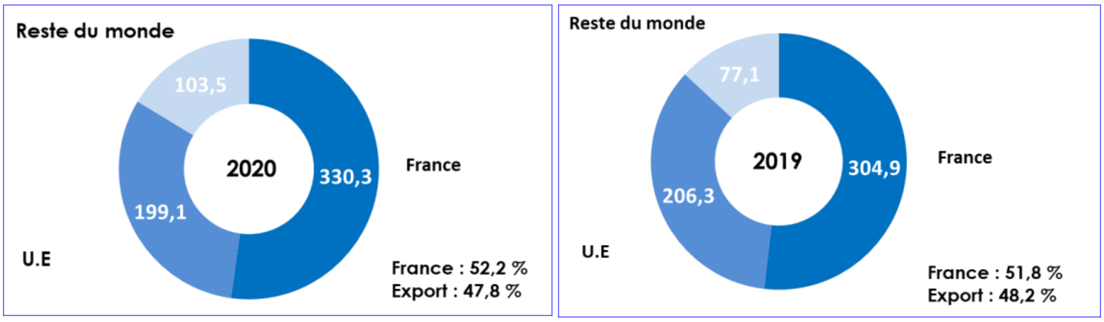
	2020	2019
Revenue	**632.9**	**588.4**
EBITDA	**(83.6)**	**(130.3)**
Recurring operating income/(loss)	(101.1)	(150.9)
Non-recurring operating income/(loss)	1.7	(30.8)
Operating income/(loss)	**(99.4)**	**(181.7)**
Share of net income of equity-accounted investments	0.2	2.2
Operating income/(loss) after share of net income of equity-accounted investments	**(99.2)**	**(179.5)**
Financial income/(expense)	**(28.0)**	**(6.1)**
Pre-tax income	**(127.2)**	**(185.6)**
Income tax expense	(5.3)	(16.5)
Net income/(loss) for the year	**(132.5)**	**(202.1)**
Income/(loss) attributable to non-controlling interests	(1.6)	(1.4)
Net income/(loss) attributable to owners of the parent	**(130.9)**	**(200.7)**

The 2020 financial year was characterized by:

- A significant decrease in order intake, notably for the Environment & Energy business segment;
- A 7.6% increase in revenue;
- A significant recurring operating loss, due to the difficulties encountered concerning certain contracts, notably in the Environment & Energy business segment;
- A significant but decreasing net loss, including the following non-recurring items:
  - The impairment of the goodwill of the DSI, Bertin Systèmes & Conseils and Bertin IT cash generating units (CGU),
  - The reorganization, restructuring and adaptation costs associated with the implementation of the protocol,
  - Offset by the gains on sale of certain assets and businesses.

2.8.3.1 Revenues and recurring operating income

A. Revenues by geographical region



Exports continue to remain important to the Group, with revenues from outside France, principally in Europe, representing 47.8% of the total.

EU revenues include UK revenues which totalled €120.5 million in 2020 and €134.6 million in 2019.

B. Revenues, recurring operating income and EBITDA

(in € millions)

	2020					2019				
	Revenues	EBITDA	%/ Revenues	Recurring operating income/ (Loss)	%/ Revenues	Revenue s	EBITDA	%/ Revenues	Recurring operating income/ (Loss)	%/ Revenue s
Environment & Energy	446.7	(90.3)	-20.2%	(94.5)	-21.1%	391.7	(149.7)	-38.2%	(158.2)	-40.4%
Innovation et Systems	185.3	5.5	3.0%	(4.0)	-2.1%	196.7	19.4	9.9%	7.3	3.7%
Unallocated	0.9	1.2	134.0%	(2.7)	-305.1%	-	-	0.0%	-	0.0%
Group total	**632.9**	**(83.6)**	**-13.2%**	**(101.1)**	**-16.0%**	**588.4**	**(130.3)**	**-22.1%**	**(150.9)**	**-25.6%**

The Group's total revenues were up 7.6% relative to 2019:

- Environment & Energy business segment: +14.0%;
- Innovation & Systems business segment: -5.8%.

The Group made a recurring operating loss of €101.1 million and a negative EBITDA of €83.6 million.

a. Environment & Energy (E&E) business segment

At €446.7 million, the revenues of the Environment and Energy business segment were 14% higher in 2020 than in 2019.

E&E turnkey plants (EPC)

The E&E EPC Business Division made a recurring operating loss again in 2020. However, it was lower than in 2019 when it had been significantly impacted by the losses recognized on the Sharjah (United Arab Emirates) and South London (UK) contracts as well as on the Avonmouth, Earls Gate and Kemsley (UK) projects, which were adversely affected by the bankruptcy of the civil engineering company Clugston in December 2019.

CNIM took over responsibility for the civil engineering scope of these three contracts, which generated the need, to ensure CNIM's ability to continue as a going concern, to immediately enter into contractual arrangements with all Clugston's subcontractors, leading to costs greatly in excess of the "civil engineering" section remaining to be received on these contracts and significant additional penalties for late delivery.

In 2020, the EPC Business Division delivered the Kemsley (UK) and Avonmouth (UK) turnkey waste-to-energy plants.

Work continues on the other projects including Belgrade (Serbia), Troyes (France), Earls Gate (UK), Sharjah (United Arab Emirates), Pierrefonds (Reunion Island), Lostock (UK) and Rambervillers (France).

Performance of the EPC Business Division was impacted by the extension of time to completion of turnkey contracts due to complex project execution conditions and the various lockdown measures and restrictions in the countries in which the Group operates. The contract time extensions due to the global pandemic have resulted in higher costs, primarily affecting overheads at the operating sites.

E&E flue gas treatment systems (LAB)

The LAB Business Division made a small recurring operating loss in 2020 whereas it broke even in 2019.

In 2020, the results of the LAB Business Division were once again adversely impacted by the difficulties in completing the Hofor contract in Denmark.

The Business Division generated more than half of its 2019 revenues in the Marine Scrubbers activity.

E&E O&M

The O&M (Operation) Business Division consistently makes a positive contribution to income.

The Business Division is closely associated with the "New plant construction" activity: several EPC contracts (Earls Gate, Sharjah and Réunion Island) relate to the construction and operation of plants.

This enables the Group to anticipate an increase in the "Operation" revenue at the end of these plants' construction period.

As this business segment requires little investment in property, plant and equipment, EBITDA is close to operating income.

E&E Services

The "Services" Business Division made a loss in 2020: it was adversely affected by a decrease in revenues, the lockdown measures in France and an increase in worksite costs relating to close to completion contracts.

b. Innovation & Systems business segment

The Innovation & Systems (I&S) business segment generated revenues in 2020 (€185.3 million) that were 5.8% lower than in 2019. The changes between 2019 and 2020 break down by Business Division as follows:

- Industrial Systems Business Division: -8.6%
- Bertin: -2.6%.

The Innovation & Systems business segment posted a recurring operating loss of €4.0 million in 2020, as compared to recurring operating income of €7.3 million in 2019, giving a negative operating margin of -2.1% in 2020 compared with 3.7% in 2019.

Industrial Systems Business Division

The Business Division's revenue decreased by 8.6% compared to 2019, with a negative contribution to the Group's 2020 recurring operating loss since its business was adversely affected by COVID-19 health measures, mainly in the Deterrence and Large Scientific Instruments businesses, and its profitability was adversely affected by difficulties executing complex contracts.

Bertin Business Division

The Business Division reduced its positive contribution to the Group's recurring operating income/(loss) compared to 2019, mainly as a result of the disposal of the Bertin Environnement Energie business in September 2020 and the deterioration in the Bertin IT business, linked to the health crisis.

In contrast, the Bertin Systems & Instrumentation business continued its improvement compared with 2019 in terms of both revenue and recurring operating income.

The Innovation & Systems business segment is characterized by a marked capacity for innovation, with a track record of major development programs and a strong industrial base, which provide the means to associate design potential with capacity to deliver industrial implementation.

It therefore requires more capital expenditure, and depreciation thus plays a significant part in the income statement. At €5.5 million, the business segment's 2020 EBITDA represented 3.0% of revenues.

The activities of the Group's six Business Divisions are very diverse:

- Environment & Energy business segment: offer in the field of thermal energy covering all businesses: turnkey installations, operation of waste-to-energy plants and service contracts;
- Innovation & Systems business segment: offer in the fields of mechanical, optical and electro-mechanical engineering, involving studies and the development and production of software and small and mid-range products.

These differences in the nature of the activities carried out within each of the business segments make it impossible to undertake a meaningful comparative analysis of the differences between their results.

2.8.3.2 Non-recurring income/(expense)

In accordance with Note 8 to the 2020 consolidated financial statements, the Group has classified under "Other operating income" and "Other operating expenses" all non-recurring transactions of a significant amount that could hinder the clarity of recurring operating performance. They may include:

Gains or losses on disposals of businesses or groups of assets;

Acquisition and integration costs relating to business combinations;

Restructuring costs resulting from restructuring plans whose unusual and significant nature may hinder the clarity of recurring operating income;

Provisions and impairment of property, plant and equipment or intangible assets of material amounts;

Estimated or actually incurred costs relating to external factors independent of operating effectiveness such as political decisions.

In the year ended December 31, 2020, the Group recognized the following items under "Non-recurring income/(expense)":

- Net gains on disposals of assets generated during the year totalling €27.8 million, the main component of which was the sale of the Group's registered office premises in Paris;
- Impairment provisions on various assets totalling €12.5 million, which related mostly to the goodwill of the Industrial Systems Business Division, Bertin Systèmes & Conseils and Bertin IT cash generating units;
- Costs totalling €13.3 million relating to the Group's financial restructuring.

2.8.3.3 Share in net income from equity-accounted investments

(in € millions)

	2020	2019
Share of net income of equity-accounted investments	0.2	2.2

Income from equity-accounted investments in 2020 consisted mainly of recurring income from companies operating mainly in the Environment & Energy business segment.

The decrease was due to the disposal of minority interests during the year (see section 2.8.1).

2.8.3.4 Financial income/(expense)

(in € millions)

	2020	2019
Net financial income/(loss)	(7.5)	(2.1)
Foreign exchange gains/(losses)	(18.7)	(4.1)
Other	(1.7)	0.1
Financial income/(expense)	**(28.0)**	**(6.1)**

The net financial expense for 2020 comprised:

- Net financial loss of -€7.5 million due to the increase in outstanding borrowings and the financing cost;
- Net foreign exchange losses of -€8.4 million relating to the recognition of forward points on foreign exchange derivatives set up to hedge future cash flows on commercial contracts, the hedging relationships being designated

for accounting purposes on the basis of the spot rate and not the forward rate, -€1.6 million relating to the inclusion of CNIM's own credit risk and that of its counterparties in the fair value of derivative instruments and -€5.4 million relating to the revaluation of intra-Group positions (mainly a USD current account with Geodur). Out of the total net foreign exchange losses of €18.7 million, around €5 million have a cash impact;
- Other: -€1.7 million.

2.8.3.5 Income tax

(in € millions)

	2020	2019
Income tax expense	(5.3)	(16.5)

In 2020, the Group has not recognized any deferred tax assets in connection with the tax losses carried forward generated within the French tax consolidation Group.

2.8.3.6 Net income/(loss)

Changes in the consolidated net income/(loss) attributable to owners of the parent were as follows:

(in € millions)

	2020	2019
Net income/(loss) attributable to owners of the parent	(130.9)	(200.7)

As regards net income/(loss), the situation improved significantly compared to 2019: the Group made a net loss which represented -20.7% of revenue.

The non-controlling interests relate mainly to SUNCNIM and CNIM Air Space.

2.8.4 Definitions of alternative performance indicators

“Order intake”:

- Contracts for the supply of turnkey plants are recorded as orders at the start of operations;
- Contracts for recurring services, such as the operation of waste recovery plants, are recorded as backlog, for the amount due over the full contractual period, either at the start of the year or on the date of signing.
- In connection with the application of IFRS 15, for the waste-to-energy plant operating business, and as from January 1, 2018: on the date on which the operating agreement is signed, the revenue earned over the remaining contractual period is recognized in orders for the period (see Note 1 to the consolidated financial statements).

“Backlog”:

The backlog at a given date corresponds to revenues not yet recognized in relation to recorded orders, i.e. total contract revenue less revenue recognized in the income statement.

“EBITDA”:

EBITDA is defined as:

- Recurring operating income;
- excluding depreciation.

“Free Cash Flow”:

Free Cash Flow is defined as:

- EBITDA;
- plus change in working capital;
- plus changes in provisions;
- less capital expenditure (net of disposals);
- plus dividends received;
- less income taxes.

“Gross Cash”:

Gross cash is equal to cash as shown on the asset side of the balance sheet, i.e. the sum of:

- cash equivalents;
- cash.

“Net cash/Net debt”:

The calculation of the net cash position is stated in section 2.10.6. It corresponds to the net total of the following items:

- gross cash;
- current financial liabilities (see Note 22 to the 2020 consolidated financial statements);
- loans and borrowings (see Note 22 to the 2020 consolidated financial statements);
- and, since January 1, 2019, the application of IFRS 16 “Leases”.

The Group uses the term “Net cash” or “Net debt” according to the net balance between its cash assets and financial liabilities.

2.9 Investments and significant property, plant and equipment

2.9.1 The Group's principal fixed assets

The following table provides a breakdown of fixed assets by business segment:

(in € millions)

	Environment & Energy		Innovation & Systems		Other		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Intangible assets	1.6	2.1	22.1	21.8	1.3	-	25.0	23.9
Goodwill	31.7	31.7	31.2	41.0	-	-	62.9	72.8
Property, plant and equipment	8.4	15.0	26.2	37.1	18.7	-	53.4	52.2
Financial assets	2.4	15.8	1.3	1.8	1.5	-	5.2	17.6

Note: Non-current financial assets as stated above do not include shares in the net assets of equity-accounted investments, which relate principally to the Environment & Energy business segment and are set out in detail in Note 15 to the consolidated financial statements.

As detailed in Note 3 to the 2020 consolidated financial statements and in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the Group now presents the fixed assets of the "O&M", "Biomass" and "Bertin IT" activities held for sale on a specific line on the balance sheet within current assets:

- Net intangible assets: €2.8 million;
- Net property, plant and equipment: €2.0 million;
- Net financial assets: €12.4 million.

Details of the goodwill amounts are set out in Note 13 to the 2020 consolidated financial statements.

The main components of the €1.2 million net increase in property, plant and equipment during the year were:

- Gross capital expenditure of €14.1 million;
- Depreciation and impairment charges totalling -€7.4 million;
- The reclassification as assets held for sale of net carrying amounts totalling -€2.0 million.

The main component of the €12.4 million net decrease in financial assets during the year was the reclassification as assets held for sale (-€12.4 million).

Details of the capital expenditure for the period are provided in section 2.9.2.

Property, plant and equipment includes the following land and buildings:

	LAND			BUILDINGS	
	Location		Area	Industrial buildings	Offices
	Country	Town	(m²)	(m²)	(m²)
Babcock Services	Morocco	Casablanca	132,248		
Bertin Technologies	France	Tarnos (40)	9,362		956
	France	Aix (13)	4,693		3,086
	France	Thiron-Gardais (28)	8,826	3,007	
CNIM Transport Equipment	China	Gaoming		19,515	
Winlight	France	Perthuis (84)	3,465	2,100	
CNIM	France	Brégaillon	74,117	19,500	11,895
		Lagoubran	192,012	29,600	770
		Mouissèques	40,458	17,095	1,000
		La Seyne-sur-Mer (83)	306,587	66,195	13,665

The production staff and equipment at the Group's site at La Seyne-sur-Mer are capable of large-scale precision manufacturing, high speed machining, conventional and specialist welding (particularly electron beam welding), boilermaking and working with synthetic materials such as composites and polyurethane.

CNIM Transport Equipment (Gaoming, China) has a fifty-year lease on a site of 39,315 m2. The rights under the lease are recorded as an intangible asset with a net book value of CNY 6.8 million at December 31, 2020.

Details of the classification of companies by business segment are set out in Note 4 to the 2020 consolidated financial statements.

The Innovation & Systems business segment is characterized by:

- a strong capacity for innovation, with a track record in major development programs;
- a strong industrial base, including the site at La Seyne-sur-Mer and the plants in China, enabling this capacity for innovation to be coupled with the resources for industrial production. Innovation & Systems thus holds the largest share of the Group's property, plant and equipment.

The property, plant and equipment of the “Other” business segment are those of the non-operating entities.

2.9.2 Group capital expenditure

(in € millions)

	Environment & Energy		Innovation & Systems		Other		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Intangible assets	0.8	0.6	6.7	7.2	-	-	7.5	7.8
Property, plant and equipment	0.4	3.9	12.8	9.7	1.0	-	14.1	13.4
Financial assets	0.4	1.5	-	0.3	-	-	0.4	1.8
Total	**1.5**	**6.0**	**19.6**	**17.3**	**1.0**	**-**	**22.0**	**23.1**

Capital expenditure on intangible assets in 2020 related mainly to research and development and software licenses whilst capital expenditure on property, plant and equipment in 2020 related mainly to industrial equipment (Industrial Systems and Bertin Business Divisions) and building renovations (La Seyne-sur-Mer).

2.9.3 Capital expenditure programme

The Group continued its capital expenditure programs during 2020:

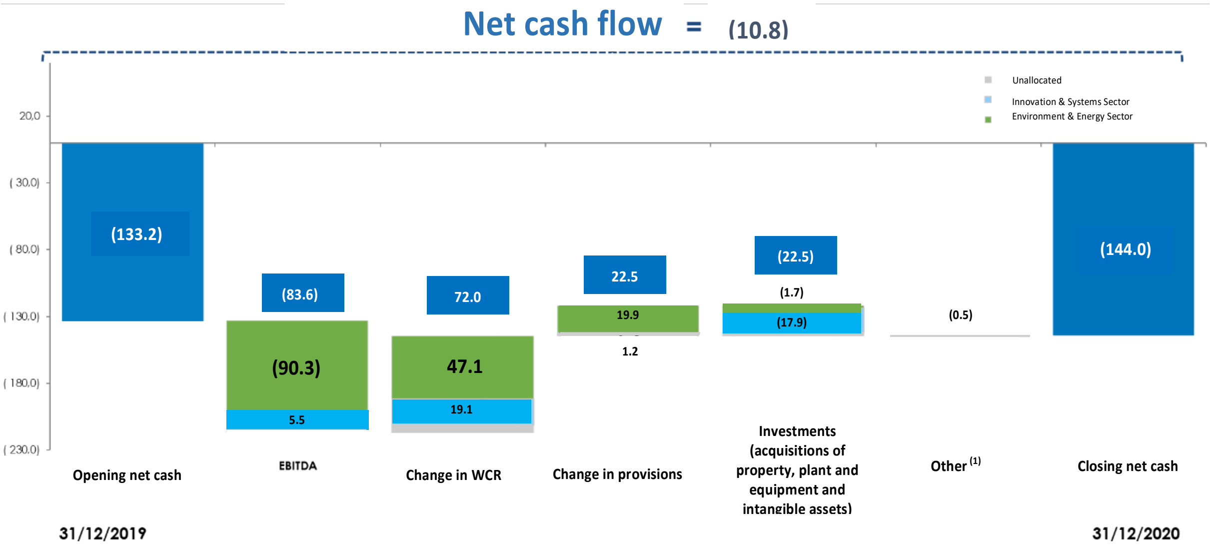
- expenditure required year by year in connection with the maintenance of its various manufacturing faciliti es;
- specific investments made by the Industrial Systems Business Division (two-year program started in 2019);
- the purchase of two new very high-performance machining plants and a new three-dimensional measuring machine (the largest in Europe) to increase the Group’s capacity and capability as regards large dimension machining and high-precision control;
- a flow-forming machine, which provides a new technological module for forming large-scale parts;
- the construction of a “clean room” building, its fixtures and fittings and equipment.

Only a machining plant was commissioned in 2020: commissioning of the other equipment is scheduled for the first half of 2021.

2.10 Group financing - Cash

The Group's cash flows in 2020 are summarized as follows:

(in € millions)



(1) Other: the main components are one positive change (disposals of property, plant and equipment including the Paris registered office premises: €44.3 million) and three negative changes (financial income/(expense): -€19.8 million, items of non-recurring income/(expense): -€16.5 million and the reclassification of the cash of assets sold: -€10.1 million).

2.10.1 EBITDA

The Group's EBITDA was a negative €83.6 million. EBITDA is broken down by business segment in section 2.8.3.1.

2.10.2 Change in working capital

Working capital requirements are detailed below for December 31, 2019 and 2020.

(in € millions)

	2020	2019	Change	Reclassification as Assets/liabilities held for sale	Other non-monetary changes*	Change in working capital (cash flow)
Inventories and work-in-progress	24.3	22.9	1.3	1.8	1.0	4.2
Advances and down payments on orders to suppliers	15.8	9.2	6.6	0.4	0.1	7.0
Trade and other receivables	105.3	134.6	(29.3)	24.4	1.7	(3.2)
Accrued income from contracts in progress	104.5	162.4	(57.9)	4.4	0.1	(53.4)
Tax and social security receivables	83.3	80.2	3.0	6.2	0.5	9.8
Other current operating assets	17.0	16.1	0.9	2.4	(8.1)	(4.8)
Sub-total	**350.1**	**425.4**	**(75.3)**	**39.6**	**(4.7)**	**(40.4)**
Advances and down payments received from customers	(18.8)	(33.1)	14.3	(1.6)	(0.0)	12.7
Trade payables	(150.8)	(156.6)	5.8	(13.0)	(1.8)	(8.9)
Deferred income from contracts	(133.7)	(108.1)	(25.6)	(6.2)	(0.3)	(32.1)
Social security and tax payables	(82.0)	(82.9)	0.9	(9.7)	(0.3)	(9.0)
Other current operating liabilities	(14.2)	(23.8)	9.6	(0.5)	(3.3)	5.8
Sub-total	**(399.5)**	**(404.6)**	**5.0**	**(30.8)**	**(5.8)**	**(31.5)**
Working capital	**(49.4)**	**20.9**	**(70.3)**	**8.8**	**(10.5)**	**(72.0)**

*The non-monetary changes include exchange rate differences and changes in the scope of consolidation.

The improvement in the Group's working capital requirement relates to both of the Group's business segments and is the result of both the decrease in trade receivables and accrued income, and the increase in deferred income.

Due to the nature of its business, in which long-term contracts play a significant role, the Group may experience significant fluctuations in its working capital on account of the timings of customers' payments and the schedule of contracted work.

2.10.3 Provisions

Provisions for contingencies and liabilities are once again characterized by a high level of provisions for losses at completion, in respect of the expected losses that will impact subsequent periods.

Provisions for accruals on completed contracts have increased significantly as a result of the projects delivered during the year for which some finalization work remains to be completed.

2.10.4 Investments

The Group's investments are set out in section 2.9.2.

2.10.5 Dividends

As decided at the General Meeting of July 31, 2020, all of the loss for the year ended December 31, 2019 was allocated to “Retained earnings” and therefore no dividends were paid for the 2019 financial year.

2.10.6 Group cash position

Changes in the Group's net debt were as follows:

(in € millions)

	2020	2019
Cash equivalent	0.1	10.1
Cash	143.0	90.5
Gross cash	**143.1**	**100.5**
Non-current financial liabilities	(216.6)	(45.3)
Current financial liabilities	(70.5)	(188.4)
Current and non-current financial liabilities	**(287.1)**	**(233.7)**
Net debt	**(144.0)**	**(133.2)**

2.10.7 Debt

(in € millions)

	2020			2019		
	Non-current financial liabilities	Current financial liabilities	Total	Non-current financial liabilities	Current financial liabilities	Total
Loan facility for the investment in the Exensor group	12.0	6.0	**18.0**	-	24.0	**24.0**
Loan to finance work at SCI Bassano	-	-	**-**	-	1.1	**1.1**
Amount drawn down of revolving credit facility	120.0	-	**120.0**	-	120.0	**120.0**
Medium-term bank finance	-	35.0	**35.0**	-	-	**-**
Martin GmbH bond loan	45.0	-	**45.0**	-	-	**-**
State medium-term financing (FDES)	-	8.8	**8.8**	-	-	**-**
Loan facility for R&D projects	1.1	0.9	**1.8**	1.4	0.8	**2.2**
Other loans and borrowings	(1.0)	0.4	**(0.5)**	0.9	20.0	**20.9**
Total loans and borrowings	177.0	51.0	**228.1**	2.4	165.9	**168.2**
Lease liabilities	13.3	3.8	**17.1**	16.1	4.5	**20.7**
Repayable advances	6.3	0.4	**6.7**	6.2	0.6	**6.8**
Assignments of receivables	19.7	9.5	**29.2**	20.4	11.4	**31.8**
Other financial liabilities	0.4	0.0	**0.4**	0.3	0.4	**0.6**
GROSS FINANCIAL LIABILITIES	**216.6**	**64.8**	**281.4**	**45.3**	**182.7**	**228.0**
Bank overdrafts, current accounts	-	5.7	**5.7**	-	5.7	**5.7**
NET FINANCIAL LIABILITIES	**216.6**	**70.5**	**287.1**	**45.3**	**188.4**	**233.7**

The Group had debt of €287.1 million at December 31, 2020, up by €53.4 million from December 31, 2019. This increase was due mainly to application of the conciliation protocol:

- Subscription by Martin GmbH of a €45 million bond, by offsetting the short-term €20 million loan from Martin GmbH in 2019, with the contribution of €25 million in cash;
- Drawdown of €35 million of the new credit facility;
- A government loan ("FDES") of €8.8 million.

Sales of trade and tax receivables amounted to €29.2 million compared with €31.8 million at December 31, 2019.

The maturity dates of non-current financial liabilities and a detailed breakdown of the annual repayments on medium-terms loans are provided in Note 22 to the 2020 consolidated financial statements.

Available liquidity

(in € millions)

	2020	2019
Gross cash	143.1	100.5
Medium-term credit facility	120.0	120.0
Amount of facility drawn down	(120.0)	(120.0)
Total liquidity	**143.1**	**100.5**

The full amount of the €120 million medium-term credit facility made available to the Group had been drawn down at December 31, 2020.

2.10.8 Equity

Movements in Group equity were as follows:

(in € millions)

	2020	2019
As of January 1	**(18.8)**	186.3
Net income/(loss) for the year	(130.9)	(200.7)
Other *	13.0	(4.3)
As of December 31	**(136.7)**	**(18.8)**

*Other comprehensive income, changes in consolidation scope and treasury share transactions.

The change in the "Others" item is mainly the result of currency translation differences on the one hand and actuarial gains and losses on pension commitments and the impacts of hedging on the other hand.

2.10.9 Other elements

The contract bank guarantees listed in Note 27 to the 2020 consolidated financial statements represent guarantees issued in relation to contract performance. The principal types of guarantee issued are as follows:

a. return of down payment, covering the risk to the customer that CNIM might fail to carry out the contract notwithstanding the down payment. The validity period of these guarantees depends on the down-payment amortization schedule as defined in the contractual invoicing and payment schedule;

b. performance, covering the risk for the customer that CNIM might fail to honour its undertakings on the timing of delivery or performance. The validity period of these guarantees depends on the contractual performance schedule (generally around three years for contracts for turnkey household waste recovery plants in the Environment & Energy business segment);

c. warranties covering the period following project handover which address the risk to the customer that CNIM might not fulfil post-delivery equipment contractual guarantees. The validity period of these guarantees depends on the length of the contractual guarantee period.

2.11 Financial restructuring of the Group

1. Conciliation protocol approved in 2020

The Group was significantly impacted by the losses suffered during 2019, which resulted in particular from the bankruptcy of a civil engineering partner involved in several construction contracts in the UK and to difficulties executing a contract in the Middle East, and by the resulting cash consumption. As a result, in 2019, it initiated a financial restructuring process in close collaboration with all of its partners, including the banking pool and its credit insurers (which underwrite bank loans), the French State and Martin GmbH (CNIM's longstanding industrial partner).

The process, which led to the initiation of a conciliation procedure on January 2, 2020, resulted in the parties signing an initial agreement in March 2020 before finalizing a conciliation protocol in April 2020. This protocol was approved by a judgement of the Paris Commercial Court dated June 23, 2020.

The financial restructuring measures are detailed below:

		Type	Principal amount (in € millions)	Interest	Maturity/effective date	Counterparty
Bridging loan backed by the sale of the registered office premises	(1)	Financing	30.6	Euribor +5%	-	
			27.5			*Banking pool*
			3.1			*French State (FDES)*
Bond issue	(2)	Financing	45.0	5%	12/31/2025	Martin GmbH
Medium-term financing		Financing	43.8	Euribor +6%	04/30/2021	
			35.0			*Banking pool*
			8.8			*French State (FDES)*
New bank guarantees	(3)	Guarantee	222.5	-	03/31/2021	Banking pool
Sharjah bank guarantee		Guarantee	18.2	-	-	First Abu Dhabi Bank

(1) On April 17, 2020, the Group sold its Paris registered office premises for €41.3 million and repaid the bridging loan associated with this sale.

(2) The bond issue was subscribed in cash for €25 million and by offset against the €20 million short-term loan Martin GmbH had granted to CNIM in October 2019.

(3) These lines cover, in particular, the performance guarantees the Group must issue for the purposes of signing the construction contracts as well as the advance payments bonds enabling accelerated payments to be obtained from some customers in the amount of €63 million.

The maturity date indicated corresponds to the date on which the line is available for drawdown.

A significant portion of these lines of bank guarantees benefits from a counter-guarantee from BPI Assurance Export (benefit limited to 50% of the guarantee given). This counter-guarantee, totalling €134 million, was implemented during the second half of 2019 to facilitate the granting of new guarantees by the banking pool.

Alongside these measures, CNIM Group made the following commitments:

- to secure the commitments of Martin GmbH, the banking partners, credit insurers and the French State by pledging the securities of all Group subsidiaries and placing the French subsidiaries in trust, entitling the beneficiaries to i) scrutinize or veto decisions that could affect their rights or interests, and (ii) take control of the securities if adverse events occur or after a period of 12 months.

  Given the facts and circumstances on the trust effective dates, the Company nevertheless retained operational control;
- to obtain backing from one or several partners for all of its business activities (Environment & Energy and Innovation & Systems business segments) to enable it to continue operating.

The main objective is to provide overall backing for the Group, by finding one or several buyers of all the securities, or alternatively of a majority stake in CNIM Groupe SA. However, the practical details may vary depending on the circumstances (such as the cumulative acquisition of the equity interests of the main subsidiaries or partial backing for a business segment) and may include the sale of individual assets.

In addition, the French government commission set up to assist companies in financial difficulty (*Commission départementale des Chefs des Services Financiers*) has granted the Group a moratorium on the payment of social security contributions and tax amounting to €13 million (payments to be made progressively over one year from May 2020).

Finally, the longstanding credit lines (revolving credit line and financing for the Exensor acquisition) are no longer subject to covenants, which require repayment on demand if the borrower breaches the covenant.

2. Conciliation protocol in progress

In the absence of offers meeting the stakeholders' various validation criteria, the Group realized in January 2021 that this program could not be completed and that an alternative scenario to full or partial affiliation had to be devised.

At the same time, the losses incurred and cash advances used on contracts due to the 2020 crisis have increased the Group's 2021 cash requirements, which have not been offset to date by the acquisition of major new contracts.

It is in this context, and given the need to replenish equity, that the Group continued its financial restructuring and, with the agreement of its creditors, asked for a second conciliation procedure to be initiated, which was confirmed by the Commercial Court on February 4, 2021.

Subject to its approval by the Commercial Court, this protocol, which was signed by all the parties involved on May 31, 2021, sets forth the following measures

		Type	Principal amount (in € millions)	Interest	Maturity/effective date	Counterparty
New financing in the form of Participating loan	(1)	Financing	40.0	4.75%	10 years	French State
Conversion of the existing debt Bonds redeemable in shares (ORA)	(2)	Conversion into equity	163.0	Euribor +4.75% to 5%	6.5 years	Banking pool and Martin GmbH
Restructuring of medium-term financing	(3)		43.8			Banking pool, French State
Of which repayment on O&M divestment		*Repayment*	*21.9*			
Of which rescheduling		*Rescheduling*	*21.9*	*Euribor +6%*	*2.5 years*	
Restructuring of the bond issue	(4)	Restructuring	45.0			Martin GmbH
Of which conversion into ORA (included in point 2)		*Conversion*	*20.0*			
Of which rescheduling		*Rescheduling*	*7.5*	5%	*2.5 years*	
Of which redemption in LAB shares		*Redemption*	*17.5*			
New bank guarantees	(5)	Guarantee	228.3	-	03/31/22	Banking pool and insurers

(1) On March 25, 2021, the French State granted a €40 million bridging loan with a six month term in the form of "recovery aid" granted by the FDES, bearing interest at Euribor (floor at 0%) plus 4.0% per year. This loan will be replaced by a participating loan of the same amount with a ten-year term, bearing interest at 4.75% per year, with a five-year repayment moratorium.

The existing debt including the RCF syndicated credit line and the "Exensor" medium-term financing (for €138 million), the Martin GmbH bond issue (for €20 million), as well as certain bank overdrafts will be converted into 16,300,000,000 bonds redeemable in shares (ORA) with a nominal value of one euro cent and a six-and-a-half year term.

The bonds (ORA) are converted on the exercise of an option, by their holder in the event of default, or automatically at the end of a six-and-a-half year period. These bonds (ORA) may be redeemed in cash at any time, at CNIM's discretion. Their redemption can only be demanded by the lenders in the event of a court-supervised liquidation or in the event that CNIM decides to open a safeguard procedure (*procédure de sauvegarde*).

These bonds (ORA) are divided into two tranches: tranche A of €35 million bearing interest at Euribor (floor at 0%) plus 5% per year (of which 1% is payable annually and 4% is capitalizable) and tranche B of €128 million bearing interest at Euribor (floor at 0%) plus 4.75% per year (of which 0.75% is payable annually and 4% is capitalizable).

The capitalizable interest is payable only in the event of redemption in cash.

It is also provided that in the event of full redemption of the bonds (ORA) in cash, their holders will also receive additional flat-rate remuneration of €20 million. In the event of conversion, the applicable conversion ratio will be 100 bonds for 0.065 new ordinary shares.

Given these characteristics, CNIM will recognize these instruments in equity. Only the interest that is not payable annually will result in the recognition of a debt (in the order of €8.5 million).

(3) Repayment of the medium-term financing provided by the French State (FDES) and by the banking pool is not required until April 30, 2021. These loans will be repaid on a straight-line basis, quarterly as from December 11, 2021 so that they will be repaid in full by September 11, 2023.

The proceeds from the divestment of CNIM's O&M and Biomass businesses, due to be received in the first half of 2021, will be used first and foremost to repay one half of the principal amount of these loans. As regards the proceeds from the divestment of Bertin IT, 50% or a minimum of €2 million will be used to repay the principal amount of these loans.

(4) €20 million of the Martin GmbH bond issue will be converted into ORAs, this amount being considered to be the existing debt.

A capital increase in respect of LAB totalling €17.5 million (on the basis of LAB's 2020 financial statements which will be adjusted on the closing date) will be carried out by CNIM for the benefit of Martin GmbH in exchange for the extinguishment of an equivalent portion of the bond issue.

Following this capital increase, Martin GmbH will have a 49% non-controlling interest in LAB over which CNIM will retain control under IFRS rules.

The €7.5 million balance of the bond issue will be rescheduled to be repaid on a straight-line basis, quarterly as from June 11, 2022 so that it will be repaid in full by September 11, 2023.

(5) These bank guarantees cover the performance bonds that the Group is required to provide to enter into the construction contracts projected in the business plan for 2021 and early 2022. The maturity date indicated corresponds to the date on which the line is available for drawdown. These guarantees supplement the existing guarantees in respect of the contracts currently being executed. Their remaining in force is conditional on CNIM entering into two EPC contracts by December 1, 2021.

The key elements of the measures set out in the protocol can be summarized as follows: (i) the conversion of the existing debt into bonds (ORA) qualifying as equity instruments, (ii) the divestment of the O&M and Bertin IT businesses generating a gain and the partial repayment of medium-term debt using proceeds from the divestment, (iii) the issue of the participating loan and (iv) the renewal of the bank guarantees. They will have the following effects on the equity and liabilities in CNIM's balance sheet:

- reduction in debt of nearly €160 million,

- replenishment of equity by nearly €200 million.

The protocol also provides for:

- the implementation of an asset divestment program at the end of a four-and-a-half year period, with the aim of generating cash for the CNIM Group to enable it to pay off its creditors;
- a performance-based remuneration scheme for employees and managers, the terms and conditions of which are currently under discussion and will be submitted to the General Meeting of Shareholders for approval.

Lastly, the bonds (ORA), the existing trusts and the bank guarantees will have standard default clauses, as well as cross-default clauses linked to the situation of Soluni, the holding company that owns the majority of CNIM Groupe's share capital. The cross-default clauses relating to Soluni's situation cover in substance four assumptions: Soluni (i) decides to no longer support CNIM's financial restructuring, (ii) defaults on its payment obligations in respect of its debt, (iii) undergoes collective proceedings and (iv) initiates legal action to prevent or delay the repayment at maturity of its debt or to call into question the validity or effectiveness of the sureties it has granted.

Asset disposals

As part of its financial restructuring and the affiliation and divestment program, which was the subject of the April 29, 2020 press release, the Group carried out the following divestments:

(in € millions)		Date:	Disposal proceeds net of disposal costs	Book gain or loss (consolidated)
Paris registered office premises		04/17/20	40.7	31.9
Minority stakes in DWS, HWS and WWS	(1)	07/23/20	1.5	(1.4)
Bertin Technologies' "Bertin Energie Environnement" business	(2)	09/30/20	*1.3*	*(0.1)*
Minority stake in Technoplus Industrie		11/04/20	2.0	(3.4)

(1) The Group entered into an agreement with the investment fund iCON Infrastructure to sell its indirect non-controlling interests in Dudley Waste Services Ltd (DWS), Hanford Waste Services Holding Ltd (HWS) and Wolverhampton Waste Services Ltd (WWS), which own waste-to-energy processing plants in the UK. The conditions precedent to this agreement were lifted on July 23, 2020.
(2) The Group sold the Bertin Energie Environnement (BEE) business, which employs 70 engineers, to Naldeo Group. BEE provides its clients with expert assistance and advice on technologies, process engineering, industrial risk management, operational safety, industrial performance, renewable and decentralized energy production, software and digital solutions.

As detailed in Note 3 "Assets held for sale", the sale of the O&M, Biomass and Bertin IT businesses is also at an advanced stage. The Group has signed sales contracts which will be finalized in the second quarter of 2021.

2.12 COVID-19 impact on the Group's business

The COVID-19 pandemic, which spread during the early months of 2020, led numerous countries to take increasingly stringent measures to slow down the rate of infection.

The main risks identified at that time which the Group has had to cope with are as follows:

- Employee health (risk of infection);
- Absenteeism of CNIM personnel or sub-contractors on worksites;
- Restrictions on travel for CNIM employees, hindering progress on certain contracts;
- Business disruption (plants/offices/worksites);
- Requests from customers to shut down certain worksites or cease contract work;
- Contract breaches by sub-contractors/suppliers;
- Delayed delivery of key equipment or products;
- Lower productivity due to teleworking;
- Cancellation or deferral of new orders or potential contract amendments.

To enable the Group's activities to continue during the health crisis, a number of actions were taken at CNIM Group level:

- Crisis management meetings at various levels (Executive Committee, Management Committee, HSE, HR, etc.) as often as necessary;
- The establishment, implementation and monitoring of specific Business Continuity Plans by HSE Managers and Operational Managers;
- The provision of information to and consultation of the employee representative bodies relating to the strategies implemented;
- Drafting and dissemination of internal guidelines on wearing personal protective equipment, the use of remote working, travel restrictions and moving around the Group's sites;

- Procurement by the Group of personal protective equipment for employees required to work on site;
- Communication, signage and markings at the Group's sites in compliance with protective measures;
- Tracing positive cases and clusters, in order to identify contacts in the Group and recommend appropriate isolation measures, in line with the local guidelines and regulations of Regional Health Agencies.
- Strengthening and shared monitoring of regulatory changes in order to comply with government measures introduced in the different countries in which the Group operates;
- Analysis of contractual clauses and notification of legal consequences and contractual discussions with clients.

Before the outbreak of the pandemic, a number of Group companies had negotiated and put in place company agreements on remote working. The Information Systems Department had therefore put in place the necessary infrastructure in terms of secure equipment and software. When a number of countries introduced strict lockdown measures in order to slow down the spread of the pandemic, the Information Systems Department was able, in the space of a few days, to provide secure equipment and software to hundreds of Group employees so that the greatest possible number could continue their work from home.

To date, the main impacts of the crisis have been:

- At Group level:
    - Although operations have continued at most of the Group's plants, workshops and customer worksites, projects have suffered delays of between three and five months depending on their location;
    - The vast majority of employees of the Group's administrative sites in France have been working remotely. The level of work carried out at various times during the year has varied depending on the specific lockdown provisions;
    - The Group has been able to benefit from certain elements of the state support measures available to French and UK companies, notably short-time working and the deferral of tax and social security payments.
- Key points, by business segment/Business Division:

	Reduced activity at worksites	Additional production costs	Deferral of the signing of new contacts
Environment & Energy			
EPC	Plant slowdown due to local protective measures (United Arab Emirates, Serbia, Scotland, the UK, etc.).	Longer time to contract completion resulting in higher associated fixed costs	-
LAB	-	Longer time to contract completion resulting in higher associated fixed costs	Deferral of orders, mainly concerning the "Marine Scrubber" activity
O&M	Temporary halt at waste sorting plants during lockdown in France	-	-
Services	Temporary closure of two sites at the customer's discretion, which have since reopened.	Longer time to contract completion resulting in higher associated fixed costs	Fall in local services activity in summer 2020 (usually a peak period)
Innovation & Systems			
ISD	Relatively rapid resumption of business at the Seyne-sur-Mer site, but activity slower due to the lockdown in the first half	-	-
Bertin	-	-	Possible delays in government contract processes, hindering export sales.

2.13 Other elements of the management report

The other elements of the management report detailed below are included in the following sections of the 2020 Universal Registration Document:

- In section 4, the Declaration of non-financial performance;
- In section 5.2, Internal control and risk management, the main characteristics of the internal control and risk management procedures put in place by the Company for the preparation and processing of accounting and financial information (including for all companies included in the consolidation);
- In section 3, Shareholders & Stock Market Listing, the identity of the holders of the share capital, the transactions carried out by the Company in its own shares, the authorization to repurchase shares, the level of employee share ownership on the last day of the financial year and the proportion of the share capital represented by the shares held by the personnel of the Company and of related companies (within the framework of a company savings plan or employee shareholding fund, in the form of registered shares);
- In section 2.4, subsequent events.

2.14 CNIM Groupe SA individual financial statements

2.14.1 Results

The principal items in the 2020 income statement are shown below:

(in € millions)	2020	2019
Revenues	**178.6**	**398.0**
Operating income/(loss)	(67.9)	(190.7)
Financial income/(expense)	(23.4)	37.0
Exceptional income/(expense)	(16.1)	(8.7)
Income/(loss) before tax and profit-sharing	(107.3)	(162.3)
Profit-sharing	0.0	0.0
Income tax (expense)/income	2.0	5.5
Net income/(loss)	**(105.3)**	**(156.8)**
Net income margin	***-59.0%***	***-39.4%***

The business transfer to CNIM E&E EPC, specified in connection with the planned legal reorganization of the Group (detailed in section 2.14.3), was carried out on November 1, 2020.

CNIM Groupe's 2020 income statement therefore includes that of CNIM E&E EPC for the period January 1, 2020 to October 31, 2020.

The changes in revenue and operating income/(loss) were due mainly to the impact of the transfers carried out as of December 31, 2019 for the businesses of the E&E Services, E&E O&M and CNIM Industrial Systems Business Divisions and the transfer of the E&E EPC business as of November 1, 2020.

The main expenses making up the 2020 net financial expense were:

- Current account impairment provisions: €9 million
- Interest charges on current accounts and short-term investments: €7.2 million
- Net foreign exchange losses: €3.2 million
- Net charges to provisions for foreign exchange gains/losses: €2.5 million

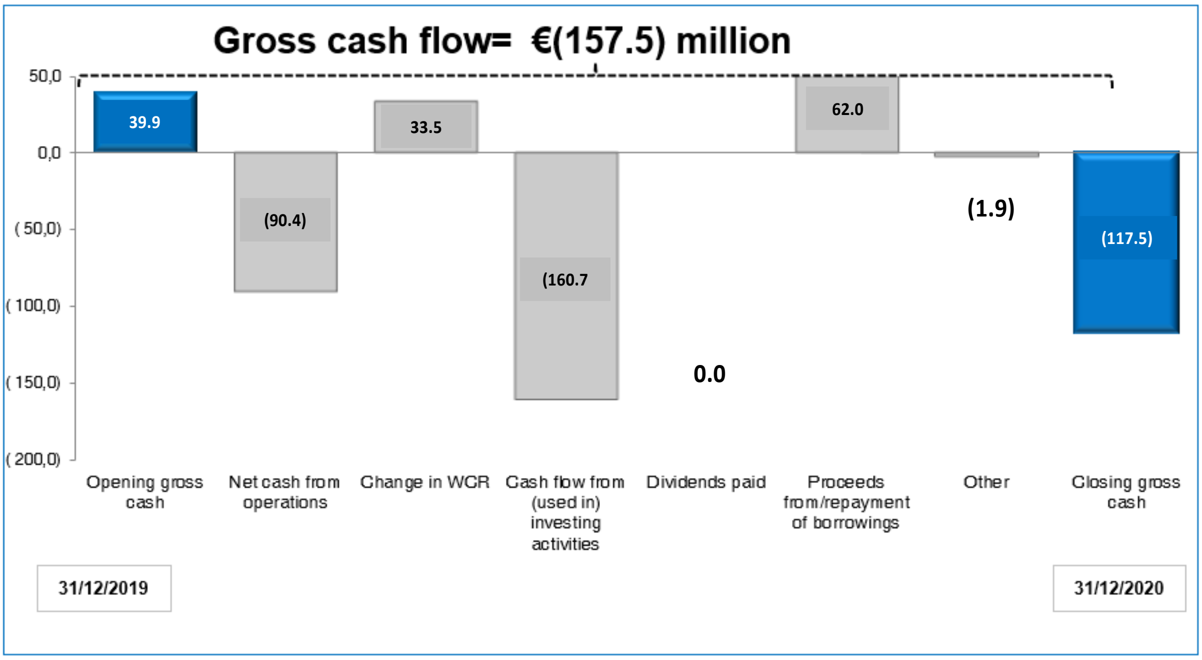
In 2019 the Group generated net financial income, which had been very favourably impacted by the distribution of dividends by the Group company that had sold the stake in Selchp in 2018.

The "income tax" line item includes the savings derived from the tax consolidation of the French companies.

The Company made a net loss for the year of €105.3 million.

2.14.2 Cash position

The Company's cash flows are summarized below:



The change in the Company's cash flow was the result of:

a. negative cash flow from operations;

b. the change in the WCR (positive impact);

c. the current account transferred on November 1, 2020 to the companies that were the subject of the transfer of the EPC business (see section 2.14.3);

d. proceeds from borrowings net of repayments of borrowings.

2.14.3 Proposed legal reorganization of CNIM Groupe SA's activities

Financial restructuring

1) Conciliation protocol approved in 2020

The Group was significantly impacted by the losses suffered during 2019, which resulted in particular from the bankruptcy of a civil engineering partner involved in several construction contracts in the UK and to difficulties executing a contract in the Middle East, and by the resulting cash consumption. As a result, in 2019, it initiated a financial restructuring process in close collaboration with all of its partners, including the banking pool and its credit insurers (which underwrite bank loans), the French State and Martin GmbH (CNIM's longstanding industrial partner).

The process, which led to the initiation of a conciliation procedure on January 2, 2020, resulted in the parties signing an initial agreement in March 2020 before finalizing a conciliation protocol in April 2020. This protocol was approved by a judgement of the Paris Commercial Court dated June 23, 2020.

The restructuring measures are summarized below:

		Type	Principal amount (in € millions)	Interest	Maturity/effective date	Counterparty
Bridging loan backed by the sale of the registered office premises	(1)	Financing	30.6	Euribor +5%	-	
			27.5			*Banking pool*
			3.1			*French State (FDES)*
Bond issue	(2)	Financing	45.0	5%	12/31/25	Martin GmbH
Medium-term financing		Financing	43.8	Euribor +6%	04/30/21	
			35.0			*Banking pool*
			8.8			*French State (FDES)*
New bank guarantees	(3)	Guarantee	222.5	-	03/31/21	Banking pool
Sharjah bank guarantee		Guarantee	18.2	-	-	First Abu Dhabi Bank

(1) On April 17, 2020, the Group sold its Paris registered office premises for €41.3 million and repaid the bridging loan associated with this sale.
(2) The bond issue was subscribed in cash for €25 million and by offset against the €20 million short-term loan Martin GmbH had granted to CNIM in October 2019.
(3) These lines cover, in particular, the performance guarantees the Group must issue for the purposes of signing the construction contracts as well as the advance payments bonds enabling accelerated payments to be obtained from some customers in the amount of €63 million.
The maturity date indicated corresponds to the date on which the line is available for drawdown.
A significant portion of these lines of bank guarantees benefits from a counter-guarantee from BPI Assurance Export (benefit limited to 50% of the guarantee given). This counter-guarantee, totalling €134 million, was implemented during the second half of 2019 to facilitate the granting of new guarantees by the banking pool.

Alongside these measures, CNIM Group made the following commitments:

- to secure the commitments of Martin GmbH, the banking partners, credit insurers and the French State by pledging the securities of all Group subsidiaries and placing the French subsidiaries in trust, entitling the beneficiaries to i) scrutinize or veto decisions that could affect their rights or interests, and (ii) take control of the securities if adverse events occur or after a period of 12 months. Given the facts and circumstances on the trust effective dates, the company nevertheless retained operational control;
- The “E&E” Trust Agreement was signed on June 11, 2020 with CNIM Groupe as Settlor and Beneficiary, Equitis Gestion as Trustee, Crédit Lyonnais as Secured Creditors' Agent, the Secured Creditors as Beneficiaries and CNIM Environment & Energy, CNIM Environment & Energy O&M, CNIM Environment & Energy Participations, CNIM Environment & Energy Services and LAB as Companies:
- The “CSI” Trust Agreement was signed on June 11, 2020 with CNIM Groupe as Settlor and Beneficiary, Equitis Gestion as Trustee, Crédit Lyonnais as Secured Creditors' Agent, the Secured Creditors as Beneficiaries and CNIM Industrial Systems as the Company:
- The “Bertin” Trust Agreement was signed on June 11, 2020 with CNIM Groupe as Settlor and Beneficiary, Equitis Gestion as Trustee, Crédit Lyonnais as Secured Creditors' Agent, the Secured Creditors as Beneficiaries and Bertin Technologies as the Company:
- The “SCI du 35 rue de Bassano” Trust Agreement was signed on March 16, 2020 with CNIM Groupe and CNIM Industrie as Settlors, Equitis Gestion as Trustee, Crédit Lyonnais as Beneficiaries’ Agent, CNIM Groupe as Settlors’ Agent, the Beneficiaries (i.e. the Banking pool comprising Banque Palatine, BNP Paribas, BRED Banque Populaire, Caisse d’Epargne CEPAC, Commerzbank Aktiengesellschaft, Crédit du Nord, Crédit Lyonnais, HSBC France, Natixis and Société Générale) and the French State.

Date of the trust agreement	Settlor	Trust	Subsidiary	Type	Gross value in €	Impairment in €	Carrying amount in €
June 11, 2020	CNIM GROUPE	E&E	CNIM E&E	securities	1	(1)	-
	CNIM GROUPE	E&E	CNIM E&E O&M	securities	5,247,835	-	5,247,835
	CNIM GROUPE	E&E	CNIM E&E Participations	securities	30,999,400	-	30,999,400
	CNIM GROUPE	E&E	CNIM E&E Services	securities	6,797,915	-	6,797,915
	CNIM GROUPE	E&E	LAB SAS	securities	18,498,150	-	18,498,150
	CNIM GROUPE	E&E	LAB USA	receivables (loan)	13,089,446	(13,089,446)	-
	CNIM GROUPE	E&E	LAB USA	receivables (loan)	7,240,640	(7,240,640)	-
	CNIM GROUPE	E&E	LAB USA	receivables (loan)	3,342,706	(3,342,706)	-
	CNIM GROUPE	E&E	CBM (Morocco)	receivables	643,414	-	643,414
June 11, 2020	CNIM GROUPE	CSI	CSI	securities	59,613,517	-	59,613,517
	CNIM GROUPE	CSI	CNIM CANADA	receivables (loan)	2,769,646	(2,769,646)	-
June 11, 2020	CNIM GROUPE	BERTIN	BERTIN TECHNOLOGIES	securities	30,489,402	-	30,489,402
	CNIM GROUPE	BERTIN	BERTIN TECHNOLOGIES	receivables (loan)	20,000,000	-	20,000,000
March 16, 2020	CNIM GROUPE	SCI 35 rue Bassano	SCI 35 rue Bassano	securities	7,592	-	7,592
	CNIM GROUPE	SCI 35 rue Bassano	SCI 35 rue Bassano	receivables / current account	218,425		218,425
	CNIM GROUPE	SCI 35 rue Bassano	SCI 35 rue Bassano	receivables / loan	8,188,145		8,188,145

- The assets transferred on the respective signature dates were:

- to obtain backing from one or several partners for all of its business activities (Environment & Energy and Innovation & Systems business segments) to enable it to continue operating.

  The main objective is to provide overall backing for the Group, by finding one or several buyers of all the securities, or alternatively of a majority stake in CNIM Groupe SA. However, the practical details may vary depending on the circumstances (such as the cumulative acquisition of the equity interests of the main subsidiaries or partial backing for a business segment) and may include the sale of individual assets.

In addition, the French government commission set up to assist companies in financial difficulty (*Commission départementale des Chefs des Services Financiers*) has granted the Group a moratorium on the payment of social security contributions and tax amounting to €13 million (payments to be made progressively over one year from May 2020).

Finally, the longstanding credit lines (revolving credit line and financing for the Exensor acquisition) are no longer subject to covenants, which require repayment on demand if the borrower breaches the covenant.

2) Conciliation protocol in progress

The terms of this protocol have been substantially amended by the terms of Protocol 2 which is in the process of being approved, as detailed in section 2.11.

Asset disposals

Details are provided in section 2.11.

Change in governance

On July 31, 2020, at their General Meeting, the shareholders of CNIM Groupe approved the proposed change in CNIM Groupe's legal status to a French limited liability company with a Board of Directors (*Société Anonyme à Conseil d'administration*) as detailed in section 2.1.

Legal reorganization of the Group

In 2018, the CNIM Group launched a wide-ranging review, with the aim of (i) simplifying the legal structure of its businesses, and (ii) improving the consistency of its governance and management. The main objectives of this review were to spin off by means of partial asset contributions and then reclassify, on the one hand, all of the activities and resources of CNIM Groupe SA and, on the other hand, all of the subsidiaries, within a particular Business Division, in and under a dedicated holding company placed at the head of the Business Division in question.

The reorganization was carried out on December 31, 2020 in the following manner:

- The spin off by means of partial asset contributions was carried out on December 31, 2019 for the following Business Divisions: I&S CSI, E&E Services, E&E O&M, as well as the “CNIM Mutual Services” entity, which provides intra-Group IT, accounting and payroll services;
- The spin off by means of partial asset contributions for the E&E EPC Business Division was carried out on November 1, 2020, subject to French regulations on spin-offs.

As a result of the above transactions, the parent company CNIM Groupe SA ceased to carry out operating activities for any Business Divisions, with the exception of non-transferred contracts. Instead, it has a holding company role, involving managing the Group and providing cross-functional services to its subsidiaries, for the purposes of which it groups together within it the Group Executive Committee and the Corporate support functions. In addition, CNIM Groupe SA holds the Group’s real estate assets and some brands and other intellectual property rights, which are made available to its subsidiaries.

The following table summarizes the impact of the EPC contributions on CNIM Groupe’s financial statements for the year ended December 31, 2020:

As of 12/31/2020 (in € millions)	**Carrying amount before contributions**	**EPC contribution as of 10/31/2020**	**Valuation of CNIM E&E EPC securities**	**Carrying amount after contributions**
Intangible assets	14.5	- 12.5	-	2,0
Property, plant and equipment	16.1	-	-	16.1
Non-current financial assets	212.2	- 2.4	20.0	229.8
TOTAL NON-CURRENT ASSETS	**242.9**	**- 14.9**	**20.0**	**248.0**
Inventories and work in progress	0.4	-	-	0.4
Advances and down payments made	5.3	- 4.9	-	0.4
Trade and other receivables	126.0	- 96.1	-	29.9
Other receivables	165.3	- 8.7	-	156.6
Current account contribution	0.1	- 0.1	-	-
Marketable securities	0.2	-	-	0,2
Cash	54.4	-	-	54.4
Prepaid expenses	1.0	-	-	1.0
TOTAL CURRENT ASSETS	**352.7**	**- 109.8**	**-**	**243,0**
Expenses to be allocated to future reporting periods	0.4	-	-	0.4
Unrealized exchange losses	4.8	- 1.9	-	2.9
TOTAL ASSETS	**600.8**	**- 126.5**	**20.0**	**494.3**

As of 12/31/2020 (in € millions)	**Carrying amount before contributions**	**EPC contribution as of 10/31/2020**	**Constitution of current account**	**Carrying amount after contributions**
EQUITY	**- 159.4**	**-**		**- 159.4**
PROVISIONS FOR CONTINGENCIES AND LIABILITIES	**93.8**	**- 64.6**		**29.2**
Bank borrowings and debt	178.4	-		178.4
Other borrowings and debt	238.7		165.3	404.0
TOTAL BORROWINGS AND DEBT	**417.0**	**-**	**165.3**	**582.4**
Advances and down payments received	0.1	-	-	0.1
Operating liabilities	-	-	-	-
Trade payables	92.6	- 68.0	-	24.7
Tax and social security liabilities	18.9	- 5.0	-	13.9
Other liabilities	0.3	-	-	0.3
TOTAL LIABILITIES	**111.9**	**- 73.0**	**-**	**38.9**
Deferred income	134.9	- 132.2	-	2.7
Unrealized translation gains	2.5	- 2.0	-	0.5
TOTAL EQUITY AND LIABILITIES	**600.8**	**- 271.8**	**165.3**	**494.3**

2.14.4 Other items

- **Client payment terms**

At December 31, 2020

12.31.2020	**Art. D 441-I.2: invoices issued and due but not paid by the end of the financial year**					
(in € thousands for monetary data)	0 days	1-30 days	31-90 days	90-180 days	181 days or more	Total
(A) Late payment bracket						
Number of invoices in question	139	13	52	44	229	477
Total value (excluding tax) of the invoices in question	8,733	599	344	783	8,168	18,627
Percentage of the total amount (excluding tax) of the balance	46.88%	3.21%	1.85%	4.20%	43.85%	100.00%
Percentage of the total amount of purchases (excluding tax) for the financial year ((class 60-62+ 651xxx)						
Percentage of total revenue (excluding tax) for the financial year (class 70)	4.9%	0.3%	0.2%	0.4%	4.6%	10.5%
(B) Invoices excluded from (A) relating to those debts and receivables in dispute or unrecognized						
Number of excluded invoices						
Total value (excluding tax) of the excluded invoices						
(C) Reference payment term used (contractual or statutory payment term. Art. L. 441-6 or Art. L. 443-1 of the French Commercial Code)						
Reference payment terms used to calculate payment delays	Contractual payment terms 30 days net 45 days net 60 days net 45 days end of month					

- **Supplier payment terms**

At December 31, 2020

12.31.2020	**Art. D 441-I.1: invoices received and due but not paid by the end of the financial year**					
(in € thousands for monetary data)	0 days	1-30 days	31-90 days	90-180 days	181 days or more	Total
(A) Late payment bracket						
Number of invoices in question	297	52	148	83	507	1 087
Total value (excluding tax) of the invoices in question	2 555	426	287	528	4 048	7 844
Percentage of the total amount (excluding tax) of the balance	33%	5%	4%	7%	52%	100%
Percentage of the total amount of purchases (excluding tax) for the financial year	1,2%	0,2%	0,1%	0,2%	1,9%	3,6%
Percentage of total revenue (excluding tax) for the financial year (class 70)						
(B) Invoices excluded from (A) relating to those debts and receivables in dispute or unrecognized						
Number of excluded invoices						
Total value (excluding tax) of the excluded invoices						

- **Company's results over the last five years**

(in € thousands for monetary data)	2016 financial year (49th period) 12 months	2017 financial year (50th period) 12 months	2018 financial year (51st period) 12 months	2019 financial year (52nd period) 12 months	2020 financial year (53rd period) 12 months
1. Financial position at year end					
Share capital	6,056	6,056	6,056	6,056	6,056
Number of shares issued	3,028,110	3,028,110	3,028,110	3,028,110	3,028,110
Number of bonds convertible into shares					
2. Overall result of current operations					
Revenues	319,832	377,521	457,288	398,032	178,587
Profit before tax, profit-sharing depreciation and provisions	28,285	23,593	(8,450)	(51,326)	(89,661)
Income tax	5,627	3,377	8,099	5,465	1,991
Profit-sharing	23	(390)	(19)	-	-
Profit after tax, profit-sharing, depreciation and provisions	19,214	39,084	(1,992)	(156,848)	(105,337)
Distributed earnings	20,288	15,898	-	-	-
3. Earnings per share					
Profit after tax and profit-sharing but before depreciation and provisions	11	(0)	(0)	(15,1449)	(29)
Profit after tax, profit-sharing, depreciation and provisions	6	13	(1)	(51,7972)	(35)
Dividend	6,70	5.25	-	-	-
4. Staff					
Average workforce of the period under review	997	974	1,143	1,236	328
Total payroll	56,007	58,509	63,726	73,995	23,071
Amounts paid in respect of social benefits (social security, social welfare, etc.)	25,569	27,777	29,021	32,020	9,575

- **Proposed appropriation of net income/(loss)**

The annual financial statements, balance sheet and income statement as presented show a loss of €105,337,046.20. We propose that this loss be allocated in full to the "Retained earnings" account.

As a result of this allocation, the Company would have negative equity of €159,410,801.52.

- **Subsequent events**

See section 2.4 of the Universal Registration Document.

3 SHAREHOLDERS & STOCK MARKET LISTING

3.1 Shareholders

3.1.1 Share capital and voting rights

3.1.1.1 Amount of subscribed capital

CNIM's share capital of €6,056,220 is divided into 3,028,110 shares with a nominal value of €2 each, fully paid up and forming a single class. Shares are either registered or bearer shares, at the election of the shareholder.

Ownership of CNIM's share capital is distributed as shown in section 3.1.1.7 below and, as regards treasury shares, in Note 21 to the consolidated financial statements for the year ended December 31, 2020.

3.1.1.2 Shares not representing capital

At the date of filing of this document, there are no securities in issue that do not represent share capital in the Company.

3.1.1.3 Shares held by the issuer itself

The Company has not carried out any share repurchases or cancellations.

3.1.1.4 Convertible securities, exchangeable securities or securities with warrants

At the date of filing of this document, there are no securities in issue giving access to the Company's capital.

3.1.1.5 Terms of acquisition rights and/or obligations in relation to capital authorized but not issued

All the delegations and authorizations were granted to the Board of Directors by the Ordinary and Extraordinary General Meeting of July 31, 2020.

3.1.1.6 Share capital history

The amount of the Company's share capital as set out in 3.1.1.1 above has not changed over the last three years.

3.1.1.7 Ownership of the share capital and voting rights

As previously reported, on July 17, 2014, Soluni, the Company's largest shareholder, purchased the entire holdings of Compagnie Nationale de Navigation ("CNN") and Martin GmbH für Umwelt- und Energietechnik ("Martin GmbH"), which respectively amounted to 566,010 shares (18.69% of the share capital) and 310,518 shares (10.25% of the share capital), in total representing 28.94% of the Company's share capital.

Following the acquisition of the aforesaid holdings and the ensuing simplified public tender offer, Soluni held, alone, 1,708,633 shares in the Company as at December 31, 2015 representing 2,538,402 voting rights, i.e. 56.43% of the Company's share capital and 57.89% of the voting rights. Details of holdings in the Company's share capital as at December 31, 2020 are provided below.

(i) The list of holders of registered shares as at December 31, 2020 shows that on that date the Company's largest shareholder was:

At 12.31.2020	No. of shares	%	Number of voting rights	Theoretical %	Exercisable %
Soluni SA	1,708,633	56.43%	3,417,266	62.95%	65.40%
Total	1,708,633	56.43%	3,417,266	62.95%	65.40%

As at December 31, 2020, the grouping made up of Soluni SA, Ms. Christiane Dmitrieff and the other members of the Dmitrieff family (including Mr. Nicolas Dmitrieff) held 1,712,739 shares representing 56.56% of the share capital and 65.55% of the exercisable voting rights (63.10% of the theoretical voting rights).

On the basis of the information available to the Company, the share capital and voting rights at December 31, 2019 and December 31, 2020 were held as follows:

CNIM shareholder base at December 31, 2019						
Shareholders	**No. of shares**	**No. of theoretical voting rights**	**No. of exercisable voting rights**	**% of share capital**	**% of theoretical voting rights (1)**	**% of exercisable voting rights (2)**
Soluni S.A.	1,708,633	3,417,266	3,417,266	56.43%	62.95%	65.40%
Ms. Christiane Dmitrieff	1,295	2,590	2,590	0.04%	0.05%	0.05%
Other members of the Dmitrieff family [Lucile Dmitrieff, Nicolas Dmitrieff, Nikita Dmitrieff and Sophie Dmitrieff]	2,811	5,618	5,618	0.09%	0.10%	0.11%
Dmitrieff family group (3)	**1,712,739**	**3,425,474**	**3,425,474**	**56.56%**	**63.10%**	**65.55%**
Franeli S.A.	452,750	905,500	905,500	14.95%	16.68%	17.33%
Frel S.A.	1,700	3,400	3,400	0.06%	0.06%	0.07%
Mr. François Herlicq	12,985	25,050	25,050	0.43%	0.46%	0.48%
Herlicq family group (4)	**467,435**	**933,950**	**933,950**	**15.44%**	**17.21%**	**17.87%**
CNIM Participation (employee shareholders) (5)	71,294	142,588	142,588	2.35%	2.63%	2.73%
Treasury shares	188,449	188,449	-	6.22%	3.47%	-
Liquidity contract (Exane BNP Paribas)	14,297	14,297	-	0.47%	0.26%	-
Sub-total	**202,746**	**202,746**	**-**	**6.70%**	**3.73%**	**-**
Public	573,896	723,540	723,540	18.95%	13.33%	13.85%
TOTAL	**3,028,110**	**5,428,298**	**5,225,552**	**100.00%**	**100.00%**	**100.00%**

1) This number is calculated on the basis of the totality of shares with voting rights, including non-voting shares, in accordance with Article 223-11 of the General Regulation of the French Financial Markets Authority on the calculation of the crossing of voting rights thresholds.
(2) For information: number calculated net of non-voting shares.
(3) Soluni is controlled by Ms. Christiane Dmitrieff through Arnina, a company in which she is the majority shareholder and which is managed by Mr. Nicolas Dmitrieff.
(4) The sub-group made up of Franeli, FREL and Mr. François Herlicq is held mainly by the Herlicq family.
(5) Employees: under the Company Savings Plan, 71,294 shares in the Company (2.35% of the share capital) at December 31, 2019 were held by staff via FCPE CNIM Participation (the employee shareholding fund).

CNIM shareholder base at December 31, 2020						
Shareholders	**No. of shares**	**No. of theoretical voting rights**	**No. of exercisable voting rights**	**% of share capital**	**% of theoretical voting rights (1)**	**% of exercisable voting rights (2)**
Soluni S.A.	1,708,633	3,417,266	3,417,266	56.43%	62.95%	65.40%
Ms. Christiane Dmitrieff	1,295	2,590	2,590	0.04%	0.05%	0.05%
Other members of the Dmitrieff family [Lucile Dmitrieff, Nicolas Dmitrieff, Nikita Dmitrieff and Sophie Dmitrieff]	2,811	5,618	5,618	0.09%	0.10%	0.11%
Dmitrieff family group (3)	**1,712,739**	**3,425,474**	**3,425,474**	**56.56%**	**63.10%**	**65.55%**
Franeli S.A.	452,750	905,500	905,500	14.95%	16.68%	17.33%
Frel S.A.	1,700	3,400	3,400	0.06%	0.06%	0.07%
Mr. François Herlicq	12,985	25,050	25,050	0.43%	0.46%	0.48%
Herlicq family group (4)	**467,435**	**933,950**	**933,950**	**15.44%**	**17.21%**	**17.87%**
CNIM Participation (employee shareholders) (5)	59,602	119,204	119,204	1.97%	2.20%	2.28%
Treasury shares	188,449	188,449	-	6.22%	3.47%	-
Liquidity contract (Exane BNP Paribas)	15,262	15,262	-	0.50%	0.28%	-
Sub-total	**203,711**	**203,711**	**-**	**6.73%**	**3.75%**	**-**
Public	584,623	745,959	745,959	19.31%	13.74%	14.28%
TOTAL	**3,028,110**	**5,428,298**	**5,225,552**	**100.00%**	**100.00%**	**100.00%**

1) This number is calculated on the basis of the totality of shares with voting rights, including non-voting shares, in accordance with Article 223-11 of the General Regulation of the French Financial Markets Authority on the calculation of the crossing of voting rights thresholds.
(2) For information: number calculated net of non-voting shares.
(3) Soluni is controlled by Ms. Christiane Dmitrieff through Arnina, a company in which she is the majority shareholder and which is managed by Mr. Nicolas Dmitrieff.
(4) The sub-group made up of Franeli, FREL and Mr. François Herlicq is held mainly by the Herlicq family.
(5) Employees: under the Company Savings Plan, 59,602 shares in the Company (1.97% of the share capital) at December 31, 2020 were held by staff via FCPE CNIM Participation (the employee shareholding fund).

CNIM shareholder base at April 26, 2021						
Shareholders	**No. of shares**	**No. of theoretical voting rights**	**No. of exercisable voting rights**	**% of share capital**	**% of theoretical voting rights**	**% of exercisable voting rights**
Soluni S.A.	1,708,633	3,417,266	3,417,266	56.43%	62.95%	65.40%
Ms. Christiane Dmitrieff	1,295	2,590	2,590	0.04%	0.05%	0.05%
Other members of the Dmitrieff family* [Lucile Dmitrieff, Nicolas Dmitrieff, Nikita Dmitrieff, Sophie Dmitrieff, Romy Dmitrieff, Apollonia Dmitrieff and Arcadi Dmitrieff]	2,811	5,618	5,618	0.09%	0.10%	0.11%
Dmitrieff family group	**1,712,739**	**3,425,474**	**3,425,474**	**56.56%**	**63.10%**	**65.55%**
Franeli S.A.	452,750	905,500	905,500	14.95%	16.68%	17.33%
Frel S.A.	1,700	3,400	3,400	0.06%	0.06%	0.07%
Mr. François Herlicq	12,985	25,050	25,050	0.43%	0.46%	0.48%
Herlicq family group	**467,435**	**933,950**	**933,950**	**15.44%**	**17.21%**	**17.87%**
CNIM Participation (employee shareholders)	55,985	111,970	111,970	1.85%	2.06%	2.14%
Treasury shares	188,449	188,449	-	6.22%	3.47%	-
Liquidity contract (Exane BNP Paribas)	15,152	15,152	-	0.50%	0.28%	-
Sub-total	**203,601**	**203,601**	**-**	**6.72%**	**3.75%**	**-**
Public	588,350	753,303	753,303	19.43%	13.88%	14.42%
TOTAL	**3,028,110**	**5,428,298**	**5,225,533**	**100.00%**	**100.00%**	**100.00%**

3.1.1.8 Crossing of disclosure thresholds during the financial year (Article L. 233-13 of the French Commercial Code)

None.

3.1.2 Voting rights

The Company's bylaws provide that a double voting right is conferred on all fully paid-up shares which are shown to have been registered for at least two years in the name of the same shareholder under the conditions prescribed by law.

The bylaws do not provide for any restriction on the exercise of voting rights or on transfers of shares. The Company's bylaws do provide, however, that any individual or legal entity, acting alone or in concert with others, who crosses the threshold of 2.5% of the share capital or voting rights or a multiple of this percentage is obliged to declare the total number of shares in their possession to the Company in accordance with said bylaws within fifteen days of crossing the threshold, by registered letter with advice of receipt.

Non-compliance with this obligation is punishable by the withdrawal of voting rights from those shares exceeding the percentage which should have triggered a declaration, for a period of two years following the date on which the situation was regularized by the due submission of a declaration. This sanction only applies in the event of a request, recorded in the minutes of the General Meeting, by one or more shareholders holding at least 2.5% of the Company's share capital or voting rights.

No agreement in force has been brought to the Company's attention pursuant to Article L. 233-11 of the French Commercial Code.

3.1.3 Control of the Company

Prior to July 16, 2014, none of the shareholders listed in section 3.1.1.7 of this document controlled the Company within the meaning of Article L. 233-3 of the French Commercial Code. Since July 17, 2014, Soluni has controlled the Company within the meaning of Article L. 233-3 of the French Commercial Code.

This assumption of control was a consequence of the acquisition by Soluni on July 17, 2014 of the entire holdings in CNIM SA of Compagnie Nationale de Navigation and Martin GmbH für Umwelt und Energietechnik, that is, a total of 876,528 CNIM shares representing 28.94% of the Company's share capital. This acquisition gave rise to the filing of a simplified public tender offer with the AMF.

To the best of the Company's knowledge, none of the shareholders have declared that they are acting in concert.

The Company has taken no specific action to avoid abusive exercise of control other than the adoption of a governance structure with a Board of Directors, composed of three independent directors, and the consequent creation of specialised committees such as the Strategy and Commitments Committee, the Audit Committee and the Remuneration Committee.

The report on corporate governance included in this document sets out the arrangements for the preparation and conduct of the work of the Board of Directors.

3.1.4 Agreements with potential to lead to a change of control

None.

3.1.5 Shareholder agreements

None.

3.1.6 Trusts set up in connection with the restructuring

Under the terms of the four Security Management Trust Agreements relating to the shares of the following companies: SCI du 35 rue de Bassano (SCI Bassano trust), CNIM Environnement & Énergie, CNIM Environnement & Énergie Participations, CNIM Environnement & Énergie O&M, LAB SAS, CNIM Environnement & Énergie Services (E&E trust), Bertin Technologies (Bertin trust) and CNIM Systèmes Industriels (CSI trust), which were entered into to guarantee the finance granted by the French State and the Group's financial partners on March 16 and June 11, 2020, the trustees act on the instructions of CNIM Groupe for all "Day-to-day Decisions", which gives CNIM the power, in particular, to draw up, review and approve the business plan and the commercial and operational strategy, to conduct the negotiations for any commercial contracts, to manage and adjust as necessary the human and operational resources and to appoint or dismiss managers. However, the trustees act on the instructions of the Secured Creditors in the case of "Extraordinary Decisions" which may affect their rights and/or interests. These decisions include, in particular, amendments to the Articles of Association, any significant acquisition or disposal and the taking on of any new debt.

Events that may lead to the completion of the trusts include the occurrence of any event of default (guarantee calls above a certain threshold or default in debt servicing), the initiation by CNIM of collective proceedings, insufficient short-term liquidity and the failure to comply with certain commitments made under the protocol described in paragraph 2.11.

3.2 Stock market listing

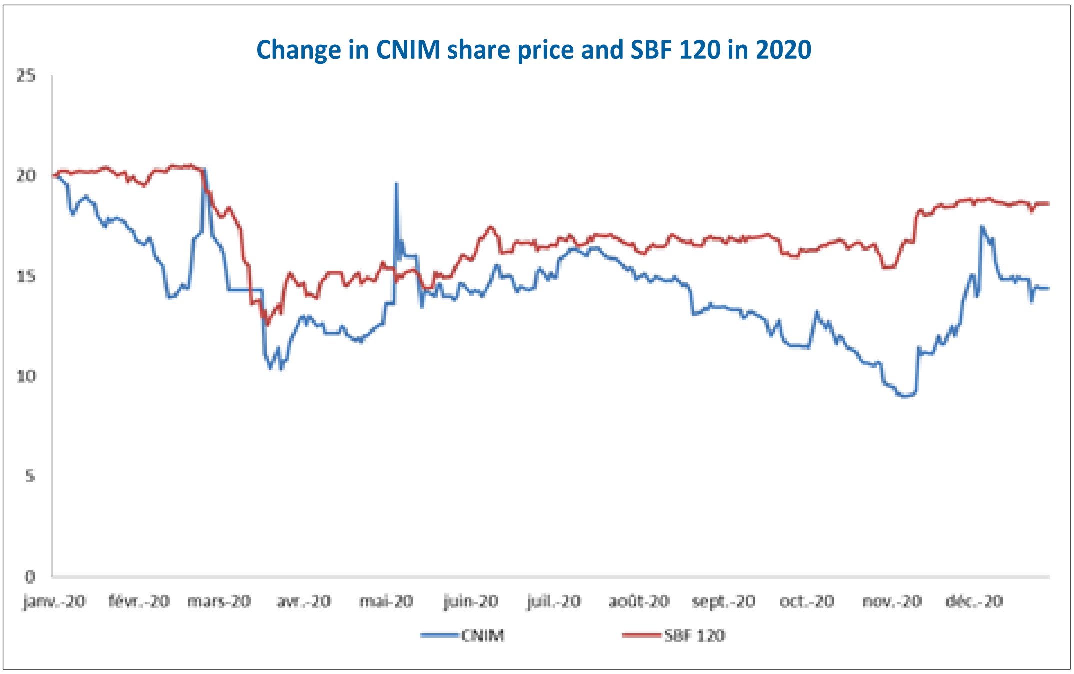
3.2.1 Listing

CNIM shares are listed on a single regulated market: Euronext Paris.

CNIM shares are the only listed securities issued by the Company.

CNIM shares are included in the CAC All Share index.

3.2.2 Movements in the share price



Price:

- At December 31, 2019: 20.00
- At December 31, 2020: 14.55

Annual extremes in 2020:

- Highest closing price on February 24, 2020: 20.30
- Lowest closing price on November 4, 2020: 9.00

Movement from December 31, 2019 to December 31, 2020:

- CNIM share: -27.25%
- SBF 120: -6.57%
- CAC 40: -7.14%

3.3 Dividends: policy and distribution record

The Company does not have a dividend distribution policy, it being specified that the setting up of trusts for all the Division head companies and their main subsidiaries constrains the distribution of their earnings to CNIM Groupe.

Following the profit warning issued on May 16, 2019, CNIM S.A. obtained in advance the

agreement of the majority of its financing banks not to apply its covenants as of June 30, 2019,

provided, amongst other things, that no dividends were distributed for the year ended December 31, 2018.

Therefore, the Annual General Meeting of shareholders of June 26, 2019 decided to allocate the loss for the year to the “Retained earnings” heading and, due to the loss, not to pay dividends to the shareholders in respect of the year ended December 31, 2018.

The Annual General Meeting of shareholders of July 31, 2020 decided to allocate the loss for the year ended December 31, 2019 to the “Retained earnings” heading and, due to the loss, not to pay dividends to the shareholders in respect of that year.

In accordance with the agreements entered into as part of the Group's financial restructuring, notably the terms of issue of the bonds redeemable in shares, the Company will not propose a dividend distribution for the 2020 financial year.

Over the last three financial years, the amount of the dividends and the number of shares qualifying for the 40% tax abatement were as follows:

(In €)	2019	2018	2017
No. of shares	3,028,110	3,028,110	3,028,110
Dividend	0	0	5.25

4 DECLARATION OF NON-FINANCIAL PERFORMANCE

Introduction

Since 2012, the CNIM Group has published, in addition to its management reports, a corporate social responsibility (CSR) report or declaration of non-financial performance, which aims to set out information on the way in which deals with the social and environmental consequences of its activities.

A significant proportion of CNIM's activities and its future development are founded on its capacity for innovation in environmental matters: producing energy from waste or biomass, improving energy efficiency at its industrial facilities, cutting emissions of pollutants into the air and producing renewable energy. In these activities, the Group's current and future commercial success is therefore directly linked to the challenges of sustainable development and CSR.

With its strong commitment to health, safety and the environment, the Group is mobilizing all its staff and making them aware of their responsibilities in the face of these major challenges, using corporate social responsibility as a means of adding momentum to its progress. By implementing a pro-active CSR initiative, CNIM aims to pursue its economic development, ensuring that balanced and sustainable relationships are maintained with all its partners and stakeholders.

CNIM’s CSR performance recognized by Gaïa-Index

For the sixth year in succession, CNIM is among the top 70 companies monitored by Gaïa-Index, the EthiFinance subsidiary that specializes in analyzing and rating CSR performance for European SMEs and mid-sized companies. Based on the 2019 financial year, CNIM was given an overall score in 2020 of 85/100 compared with 81/100 in 2019, and improved its ranking in the midcap category to:

- 10th out of 230 in the general classification, compared with 20th in 2019,
- 8th out of 81 for companies with revenue in excess of €500m, compared with 17th in 2019,
- 2nd in the industrial sector.

The CNIM Group is committed to making continuous improvements, as shown by the Gaïa Rating results in 2020. This performance is proof of the commitment of our management and staff to the sustainable development of the Group’s activities with all our stakeholders: customers, current and future employees, banks, investors, suppliers and administrative bodies.

EthiFinance's annual Gaïa Rating scores evaluate the ESG (Environmental, Social and Governance) performances of European SMEs and midcaps with such scores being considered by financial operators in their investment decisions. Over 500 small-cap and mid-cap companies were assessed in 2020. The data collected is used to score the transparency and performance level of the companies concerned, with the top 70 performers making up the Gaïa Index.

4.1 Our business model

See section 1.3 of this document for a presentation of the CNIM business model and a map of CNIM Group stakeholders.

4.2 Principal risks and opportunities

For a description of the main risks and opportunities associated with the business activities of all the companies included in CNIM's consolidated financial statements, refer to section 2.7 of this document.

4.3 Policies, action plans, performance indicators and results

4.3.1 Attracting and retaining talent

4.3.1.1 Human Resources policy

Employment policy

We aim to support our managers and employees in their everyday working lives, enabling every individual to fulfil his or her potential based on his/her expectations, planning for future projects and matching resources with the needs of the business. CNIM's ambition is to position itself as a Group that offers its current and future employees a working environment that is fulfilling, empowering and caring, in which they are able to express their inventiveness, potential and talent and in which the pride at overcoming challenges and the pleasure of working together give, for all employees, meaning to collective action.

Recruitment initiatives and relationships with higher education

The appeal of the CNIM Group derives from certain specific strengths, including our size, which makes for great agility, our independence, our creativity, innovation and our ability to take on large projects, and the highly technical nature of our businesses. The Group nurtures a huge diversity of talent, both in France and further afield.

Initiatives are undertaken in schools to explain and present our activities and businesses and attract young future talents. Apprenticeships and professional development contracts are particularly sought after and a growing area.

Employee recruitment and capacity building by transmission constitute a major challenge for the CNIM Group's future success.

Mobility

CNIM's history, the continuity of its businesses and the Group's extensive network of locations enable its employees to look to the future and build their careers. Our two-pronged approach as both designer and builder enables us to offer varied career opportunities and the chance to explore a vast range of possibilities that our Human Resources staff work hard to highlight and make accessible.

Diversity in action

Female members represent 55% of the Board of Directors. This means that the CNIM Group's governance complies with French Act No. 2011-103 of January 27, 2011 concerning gender equality in the workplace.

In France, the gender balance report is presented each year to the Social and Economic Committee (CSE) and to the Trade Union Representatives at the Annual Mandatory Negotiations.

Four companies in the Group in France are also subject to the Index Egalité Femmes Hommes (Gender Equality Index or IEFH), a regulatory indicator for French companies with more than 50 employees. For 2020, the results were as follows:

- Bertin IT: 86 points;
- Bertin Technologies: 70 points;
- LAB SA: 81 points;
- CNIM ESU: 70 points.

Where the IEFH score is lower than 75 points, a specific action plan will be implemented, as required by law.

Policy on combating discrimination

The CNIM Group's discrimination policy relating to age, disability and gender, in particular, is explained and discussed with managers during employment law training sessions that have been held since 2015. This training program contains a specific module that raises managers' awareness of the various forms of discrimination that must be eradicated in the Group. Establishments' internal rules, which apply to all employees, contain a number of provisions on combating discrimination and undesirable behavior.

Measures to promote the employment and integration of people with disabilities

Committed to non-discrimination and equal opportunities for employees with disabilities, the Group wishes to continuously strive to promote the appointment, retention, training and development of people with disabilities.

4.3.1.2 Action plans

Mobility

An internal mobility charter was issued in 2017, setting out a framework, principles and guidelines relating to mobility within the CNIM Group.

Vacancies are initially advertised in-house, to encourage employee mobility and meetings of the Human Resources committee are held regularly to find intra-group mobility solutions that match employees' profiles.

International development

As a result of our growth, the CNIM Group is now able to offer international career opportunities, which it intends to promote more heavily in the future. Such opportunities include overseas missions, secondments, relocations and international volunteering positions.

The International Mobility guide is issued to employees who will be working abroad. International mobility terms are determined according to the type of placement, and may vary according to the country of destination. The Group has also implemented safety measures to protect employee health and safety.

Policy on combating discrimination

The Group is pursuing its policy against age discrimination through the following measures:

- developing block-release training with apprenticeship and professional development contracts;
- offering value-added work experience to students;
- recruiting employees aged over fifty;
- listening attentively to specific requests relating to health and the organization of working time.

Measures to promote the employment and integration of people with disabilities

In France, the Group offers disabled employees three days' leave during which to apply to authorities for recognition as a disabled worker.

Such employees may arrange for their workstations to be adapted and benefit from specific attention in respect of their working hours.

4.3.1.3 Performance indicators and policy results

Performance indicators and targets

- Target employee turnover rate[3]: ≤ 15% by 2023

Reporting standard: internal company standard / GRI 401-1.

- Target internal mobility rate[4]: 30% by 2023

Reporting standard: internal company standard / ODD 4.4.

Scope: Group.

[3] Voluntary departure rate, excluding employees who retire or leave upon contract expiry.

[4] Percentage of positions filled through internal mobility.

Results achieved in 2020

- Staff turnover rate : 8%

This rate was once again an improvement on the 2020 rate and provides encouragement that the target rate for 2023 will be achieved.

- Internal mobility rate: 30%.

There were 193 internal movements in the Group in 2020; these involved employees who had either changed roles within the same company or changed roles and/or company within the Group. These results mean that the target that had been set for 2023 was achieved in 2020.

Other results

Pay gap between male and female employees – Analysis of medians

	Engineers and executives (Managers)		Employees, technicians and supervisors (White-collar staff)		Workers (Blue-collar staff)		Total	
	Men	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**
< 25 years	727	732	519	423	100*	0	**423**	**554**
25-29 years	785	810	522	507	112	NS	**713**	**760**
30-34 years	902	918	549	567	421	NS	**743**	**832**
35-39 years	1,038	997	533	584	277	436	**751**	**831**
40-44 years	1,126	1,094	552	639	352	NS	**872**	**978**
45-49 years	1,272	1,142	580	669	568	NS	**924**	**854**
50-54 years	1,356	1,146	704	589	603	0	**956**	**846**
55-59 years	1,423	1,328	710	644	570	475	**953**	**707**
> 60 years	1,683	1,513	673	573	725	469	**1,251**	**633**
TOTAL	**1,112**	**996**	**572**	**597**	**497**	**461**	**790**	**815**

**The lowest median value by category and gender is the 100 index and all other median values were then correlated to that 100 index.*

Age groups containing fewer than three employees are considered to be not significant and marked "NS".

GRI 405-2

For all professional categories and age groups taken together, there is a 3% gap in the median salaries of men and women in favor of women. That can be explained by the fact that men represent a very large proportion of employees in the countries in which salaries paid by the Group are the lowest (Azerbaijan, Morocco and China). The median salary paid to women is higher than the median salary paid to men up until the age of 45.

For engineers and executives, the median salary paid to women is higher than the median salary paid to men up until the age of 35, the age at which the position changes to favor men. Over this group as a whole, all ages taken together, the median salary paid to men is higher by almost 12% than the median salary paid to women.

For employees, technicians and supervisors, the median salary is higher for women between the ages of 30 and 49, at which point the position changes to favor men. The Group is attentive to all fairness issues, and staff remuneration in particular. Remuneration is the subject of a special action plan envisaged in the agreement on gender equality at work signed by management and labor in France.

In order to prevent gender discrimination, the Group takes part in regular pay surveys. The surveys put the Group's pay levels in perspective compared to the rest of the market, to ensure fair pay for the same level of responsibility, without gender distinctions. A special action plan has also been included in the agreement on gender equality at work signed by management and labor in France.

Number of alerts processed

Five alerts were received and processed by the Group in 2020. These alerts had an internal source, with no alerts being received from external stakeholders. There were submitted to the company either through direct or indirect line managers or through Human Resources managers, and related to psychological harassment or health and safety issues. Action plans were put in place for each alert and four of them have been closed.

As no alerts were submitted using the internal online alert system on the Group's website, the decision was made to remind all Group employees in 2021 that this system was available to them, on top of the other communication channels.

GRI 102-17.

Creation of a Human Factor Integration Committee

A Human Factor Integration Committee (HFIC) was established in 2020 for the CNIM SEU (Social and Economic Unit). It meets at least once every quarter. Its main duties include the detection and monitoring of individual and group psychosocial issues, the monitoring of indicators, submitting proposals on preventive actions and on raising the awareness of employees and managers to psychosocial issues. It also deals with reports of harassment, stress and discrimination and puts forward action plans, such as the use of mediation, carrying out investigations, the provision of psychological support by professionals via an external organization, etc.

4.3.1.4 CNIM Group employees

Average total headcount and breakdown of employees by company, gender and geographical area

		Men	Women	TOTAL	
BERTIN GmbH	Germany	81%	19%	28	1%
BERTIN IT	France	78%	22%	86	3%
BERTIN Technologies	France	71%	29%	362	14%
CNIM Activ'emploi	France	74%	26%	19	1%
CNIM AIRSPACE	France	45%	55%	55	2%
CNIM Azerbaijan	Azerbaijan	93%	7%	101	4%
CNIM Babcock Maroc	Morocco	91%	9%	88	3%
CNIM Centre France	France	100%	0%	23	1%
CNIM China	China	88%	12%	136	5%
CNIM E&E EPC	France	75%	25%	47	2%
CNIM E&E O&M	France	95%	5%	82	3%
CNIM E&E Services	France	82%	18%	160	6%
CNIM Groupe	France	67%	33%	316	12%
CNIM INSERTION	France	58%	42%	32	1%
CNIM Martin Private Ltd	India	96%	4%	24	1%
CNIM MUTUAL SERVICES	France	51%	49%	53	2%
CNIM Ouest Armor	France	90%	10%	31	1%
CNIM Paris Batignolles	France	80%	20%	41	2%
CNIM Systèmes Industriels	France	85%	15%	493	19%
CNIM Singapore	Singapore	86%	14%	34	1%
CNIM Terre Atlantique	France	100%	0%	18	1%
CNIM Thiverval Grignon	France	89%	11%	18	1%
LAB	France	75%	25%	100	4%
LAB GmbH	Germany	62%	38%	19	1%
MES Environmental Ltd	United Kingdom	92%	8%	102	4%
SUNCNIM	France	93%	7%	29	1%
WINLIGHT	France	85%	15%	45	2%
Combined total		**79%**	**21%**	**2540**	**100%**

GRI 102-8

Considering the same companies taken into account in the 2020 report, the number of employees was slightly lower (down less than 1%):

- more than 94% of the Group's total workforce is covered by the declaration of non-financial performance;
- 79% of the staff covered are based in France, with the rest distributed evenly between the UK, Germany, Morocco and Asia;
- 21% of the Group's employees are women, but it should be noted that this figure is skewed by the subsidiaries that operate waste recovery sites, which are staffed almost exclusively by men.

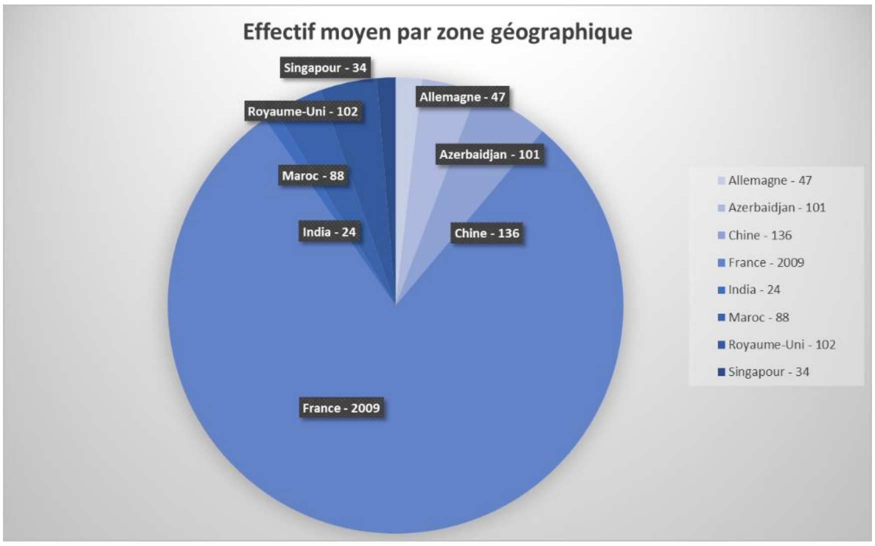
In order to understand the new distribution of staff between the various companies, the Group's legal restructuring that began in 2019 and that sought to make CNIM Group SA a holding company without any direct operational activity, needs to be taken into account.

Consequently:

- Four new companies arose from this reorganization on December 31, 2019: CNIM Systèmes Industriels, CNIM Mutual Services, CNIM E&E Operations & Maintenance and CNIM E&E Services. From that date onwards, all business activities, contracts, resources, trademarks, patents and employees who work specifically for these businesses were transferred from CNIM Groupe to these new companies, pursuant to Articles L236-6-1 and L236-22 of the French Commercial Code.
- A fifth company, CNIM E&E EPC, was also established as part of this restructuring, on November 1, 2020, in accordance with the same procedures. As the employees were transferred on that date, this company's average annual headcount as stated in the table above is not therefore representative: CNIM E&E EPC's headcount was 284 on December 31, 2020, while CNIM Groupe's was 64.

In addition, the sale of Bertin Technologies' Energy and Environment Engineering and Consulting business to Naldeo Group on September 30, 2020 meant that 57 employees left the company.

At December 31, 2020, factoring in the hires and departures over the course of the year, the Group's total headcount was down by 5.6% compared with the figure at December 31, 2019.



GRI 102-8

Proportion of executives, employees and blue-collar workers in the average total number of employees

	Engineers and executives (Managers)	Employees, technicians and supervisors (White-collar staff)	Workers (Blue-collar staff)
BERTIN GmbH	34%	37%	29%
BERTIN IT	92%	8%	0%
BERTIN Technologies	65%	35%	0%
CNIM Activ'emploi	0%	100%	0%
CNIM AIRSPACE	51%	22%	27%
CNIM Azerbaijan	21%	27%	53%
CNIM Babcock Maroc	18%	31%	52%
CNIM Centre France	18%	82%	0%
CNIM China	28%	13%	58%
CNIM E&E EPC	76%	24%	0%
CNIM E&E O&M	61%	13%	26%
CNIM E&E Services	64%	19%	17%
CNIM Groupe	78%	22%	0%
CNIM INSERTION	3%	97%	0%
CNIM Martin Private Ltd	38%	63%	0%
CNIM MUTUAL SERVICES	56%	44%	0%
CNIM Ouest Armor	22%	78%	0%
CNIM Paris Batignolles	7%	93%	0%
CNIM Systèmes Industriels	56%	25%	19%
CNIM Singapore	18%	11%	71%
CNIM Terre Atlantique	6%	94%	0%
CNIM Thiverval Grignon	6%	94%	0%
LAB	87%	13%	0%
LAB GmbH	85%	12%	3%
MES Environmental Ltd	11%	12%	77%
SUNCNIM	33%	63%	3%
WINLIGHT	49%	51%	0%
Combined total	**53%**	**29%**	**18%**

GRI 405-1

Most CNIM Group employees are engineers and executives, but substantial variation exists depending on the business activity of the subsidiary in question.

- Certain subsidiaries, such as LAB and Bertin IT, are engineering companies and therefore have a proportion of engineers and executives above 80%.
- Most workers at subsidiaries that operate waste processing plants are white-collar workers or supervisors.
- Almost 70% of the workforce at manufacturing subsidiaries such as CNIM Babcock Maroc and CNIM China are blue-collar workers and supervisors.
- In addition, one Group employee in six is a manual worker, underscoring the importance of industrial activities to the Group.

Proportion of staff employed under fixed-term/permanent contracts

	TYPE OF CONTRACT	
	Permanent	Fixed-term
BERTIN GmbH	95%	5%
BERTIN IT	95%	5%
BERTIN Technologies	96%	4%
CNIM Activ'emploi	5%	95%
CNIM AIRSPACE	89%	11%
CNIM Azerbaijan	98%	2%
CNIM Babcock Maroc	100%	0%
CNIM Centre France	100%	0%
CNIM China	32%	68%
CNIM E&E EPC	97%	3%
CNIM E&E O&M	96%	4%
CNIM E&E Services	99%	1%
CNIM Groupe	96%	4%
CNIM Insertion	3%	97%
CNIM Martin Private Ltd	96%	4%
CNIM Mutual Services	92%	8%
CNIM Ouest Armor	94%	6%
CNIM Paris Batignolles	28%	72%
CNIM Singapore	100%	0%
CNIM Systèmes Industriels	98%	2%
CNIM Terre Atlantique	89%	11%
CNIM Thiverval Grignon	95%	5%
LAB	100%	0%
LAB GmbH	97%	3%
MES Environmental Ltd	97%	3%
SUNCNIM	53%	47%
WINLIGHT	99%	1%
Combined total	**90%**	**10%**

GRI 102-8

10% of the Group's employees are employed on fixed-term contracts.

Most of these employees work for CNIM China and the French companies that manage employees under reintegration contracts, CNIM Insertion et CNIM ACTV'EMPLOI, whose purpose is to offer fixed-term reintegration contracts (CDDIs).

Breakdown of contracts: full-time and part-time

	Part-time contracts	Full-time contracts
BERTIN GmbH	7%	93%
BERTIN IT	12%	88%
BERTIN Technologies	6%	94%
CNIM Activ'emploi	0%	100%
CNIM Airspace	8%	92%
CNIM Azerbaijan	2%	98%
CNIM Babcock Maroc	0%	100%
CNIM Centre France	0%	100%
CNIM China	0%	100%
CNIM E&E O&M	1%	99%
CNIM E&E Services	2%	98%
CNIM E&E EPC	5%	95%
CNIM Groupe	9%	91%
CNIM INSERTION	0%	100%
CNIM Martin Private Ltd	0%	100%
CNIM Mutual Services	4%	96%
CNIM Ouest Armor	3%	97%
CNIM Paris Batignolles	0%	100%
CNIM Terre Atlantique	0%	100%
CNIM Thiverval Grignon	0%	100%
CNIM Singapore	0%	100%
CNIM Systèmes Industriels	3%	97%
LAB	6%	94%
LAB GmbH	18%	82%
MES Environmental Ltd	6%	94%
SUNCNIM	3%	97%
WINLIGHT	0%	100%
Combined total	**4%**	**96%**

GRI 102-8

Only 4% of Group employees work part-time, a figure unchanged from previous years. A significant majority of such employees have chosen to be on part-time contracts.

Employees are generally hired on full-time contracts.

Hiring

	Men	Women	Total	
< 25 years	83%	17%	87	19%
25-29 years	78%	22%	77	17%
30-34 years	80%	20%	66	14%
35-39 years	82%	18%	57	13%
40-44 years	74%	26%	47	10%
45-49 years	78%	22%	36	8%
50-54 years	65%	35%	20	4%
55-59 years	69%	31%	52	11%
> 60 years	93%	7%	14	3%
TOTAL	**78%**	**22%**	**456**	**100%**

Reporting standard: GRI 401-1

In 2020, 50% of new hires were employees aged under 35. At the other end of the age range, it should be noted that the Group is attentive to skills and expertise, and does not discriminate on the basis of age at the time of hiring: almost 20% of employees recruited in 2020 were aged 50 or above.

In addition, almost one in every four people hired is female, thereby continuing to increase the proportion of women employed by the Group.

In overall terms, the number of hires was down 30% compared with 2019, linked to the Group's financial situation in 2020.

Departures

	Men	Women	Total		Turnover rate
< 25 years	73%	27%	92	16%	4%
25-29 years	71%	29%	82	14%	3%
30-34 years	78%	22%	95	17%	4%
35-39 years	70%	30%	64	11%	3%
40-44 years	76%	24%	50	9%	2%
45-49 years	74%	26%	35	6%	1%
50-54 years	83%	17%	47	8%	2%
55-59 years	72%	28%	50	9%	2%
> 60 years	88%	12%	58	10%	2%
Total	**76%**	**24%**	**573**	**100%**	**23%**

Reasons for departures

	Men	Women	Total		Turnover rate
Involuntary departures	75%	25%	155	27%	6%
Voluntary departures	73%	27%	192	34%	8%
Retirement	93%	7%	74	13%	3%
End of contract	71%	29%	152	27%	6%
Total	**76%**	**24%**	**573**	**100%**	**23%**

Overall, the departure rate increased by four points compared with 2019. This increase can be explained by a two-point increase in the number of retirements and a four-point increase in involuntary departures.

The rate of voluntary departures fell by two points compared with 2019, and the rate of departures on the expiry of contracts was stable.

Remuneration and changes in remuneration

The annual payroll for 2020, including wages and social security contributions, as recorded in the accounts of the 27 companies covered by the report, was €170.3 million. At constant scope, payroll decreased by 9.7% compared with 2019.

4.3.2 Development and skills management

4.3.2.1 Development and skills management policy

Commitments:

Commitments

The CNIM Group's capacity building policy is directly in line with the business development strategy.

Our goal is to upskill CNIM Group employees, not only in terms of technical, occupational or personal development aspects, but also in areas such as safety and "corporate" issues:

- technical or occupational training courses aimed at developing and maintaining the technical skills of Group staff. Examples include training for a particular activity sector (such as the defense or nuclear industry) or training specific to a particular profession. "Operational support" training has also been put in place in areas such as procurement, legal, accounting and quality;

- safety training intended to enhance health and safety risk prevention. The Group attaches great importance to these courses, which can account for up to a quarter of the Group's investment in terms of training.
- "corporate" training courses set out to develop the skills of managers, project leaders and sales personnel.
    - A training session designed to improve the skills of new managers was given over two days.
    - A multi-modal training session was put in place for managers, involving three days of face-to-face training, one day of practical case studies interspersed with videos and three hours of personal coaching per person.
    - Two other programs, addressing topics such as complex sales and project management, have also been organized for sales personnel, project leaders or staff interacting with customers.
- Varied teaching approaches are used, with an emphasis placed on webinars (live group online training sessions).

Skills strategy

The Group actively pursues a Skills strategy with the following objectives:

- anticipate future skills needs in connection with the Group's strategic management, to lay the ground for inter-generational skills transfer;
- adapt skills to evolve with changing job requirements, and optimize workforce management and the overall performance of our operating structures;
- help employees maintain their employability.

Organization

Each Group company has its own Human Resources Department with responsibility for capacity building plans.

The Group's Human Resources Department is responsible for developing and managing employees' skills, with a particular focus on the development of managers. It coordinates the network of Human Resources Managers to ensure that capacity building plans are consistent with the Group's growth strategy.

4.3.2.2 Action plans

Process for developing individual capacity building plans:

In order to provide support for the challenges faced by the Group and with a view to continually improving the managerial function, the decision was taken in 2019 to alter the appraisal and capacity building process.

The developments were communicated to all employees at the end of 2019 before the annual review and professional development process, which began in early 2020.

Individual capacity building is now included within the annual review meeting, rather than being discussed in advance.

The manager completes the employee's capacity building plan in the annual review meeting, taking account of the needs of the department/business, with a view to developing the organization's collective expertise and the employee's professional aspirations.

Scope: Group companies in France.

Optimization of capacity building development plans across Group entities

To enhance budget allocation and management, the teams in charge of training are also tasked with optimizing travel and training costs for employees, in-house trainers and third-party providers alike. They also focus on pooling capacity building plans across Group entities and companies, organizing sessions at our various locations in-house.

By working both to improve the training requirement identification process and to pool training courses, the Group aims to provide more training hours and train more employees at equivalent cost.

In-house trainers pass on their knowledge

The Group has introduced a system of in-house trainers who help to develop training modules appropriate to their skills. Our in-house trainers are employees with a mastery of a skill or area of know-how that they are willing to pass on to other Group employees. The CNIM Group takes pride in developing in-house training modules that reflect the specificities of our markets and businesses, while coordinating our in-house trainers and providing them with teaching support and digital tools.

To provide additional support to in-house trainers, we aim, in the future, to implement a computerized training platform known as the "Learning Management System". This platform - the "Learning Management System" - will form the nucleus of a community of in-house trainers, facilitating communication between them. The entertaining yet effective approach will also enable employees to consolidate their knowledge, whether in the workplace or via remote access.

Skills strategy

Skills catalogues were produced for all Group businesses and rolled out during annual reviews. This will provide the Group with an integrated tool from which it can manage the assessment, training and development of our employees' skills, as well as anticipating future changes in skills and staffing needs and aiding career mobility. The mapping of businesses, jobs and skills is reviewed each year in line with developments thereto.

Accompanying this approach, an annual review is conducted to detect, support and nurture potential high-flyers.

4.3.2.3 Performance indicators and policy results

Performance indicators and targets

- Number of training hours per employee: target of 28 hours.

Scope: Group.

Reporting standard: GRI 404-1/ODD 4.4.

- Target percentage of all employees taking part in one or more training initiatives over the course of the year: 80%.
- Scope: Group.
- Reporting standard: internal company standard / ODD 4.4.
- Target percentage of all employees receiving an annual performance review and career assessment over the course of the year. 98%.

Scope: Group.

Reporting standard: GRI 404-3/ODD 4.4.

Results achieved in 2020

- 13 hours of training per employee.
- 51% of employees took part in one or more training initiatives over the course of the year.
- 79% of employees received an annual performance review and career assessment over the course of the year.

Although the percentage of employees who received an annual performance review and career assessment was stable at 79%, the training indicators showed a sharp decline compared with 2019.

These results can be largely explained by the COVID-19 pandemic:

For health reasons, a large number of training sessions were cancelled by training organizations: 9,300 hours of training had to be cancelled and 2,000 hours were postponed until 2021.

To limit delays in the performance of critical customer contracts and the resulting economic impacts of the pandemic, priority was given in certain cases to business continuity.

Specific training on fire risks

Each year, CNIM offers its employees training on fire risks. The aim is for employees who undertake the training to be able to report hazardous conditions that present a fire risk, take effective action against an incipient fire and notify the appropriate emergency services. In total, 330 employees in the Group received training. For a number of years, employees who undertake the training are put in situations involving real fires in order to learn how to respond effectively in all circumstances.

Training on "increasing personal dynamism"

Quality of Working Life (QWL) is essential to the well-being of a company's employees and also contributes to collective performance. A study has shown that 73% of employees place considerable importance on QWL. 13% of those employees even state that well-being at work is more important that certain other factors. In the light of this evidence, CNIM has decided to offer training on "personal dynamism".

The aim of this training is to ease musculoskeletal disorders, prevent stress fractures, take account of employees' specific physical and emotional issues and help employees to look after their bodies and their health.

An initial training session was held in December 2020. Approximately 30 factory-based employees took part in this workplace well-being initiative. In order to provide training that is appropriate to employees' working conditions, listening and simulation exercises have been introduced. In order to build on the success of this session, the training department is planning to roll out this course more broadly.

4.3.3 Health and safety

4.3.3.1 Health and safety policy

The CNIM Group strives for excellence in relation to health and safety across all our products and businesses. This continuous improvement approach aims to deliver "zero-accident" and "zero work-related illness" performance.

Commitments by Directors

- adopt the Group's objectives and incorporate them into their own health, safety and environment (HSE) policy;
- deploy appropriate technical, human, physical and financial resources to achieve those objectives;
- apply the Group's HSE Best Practices and roll them out among all employees, suppliers, subcontractors and other stakeholders in Group businesses;
- address the needs and expectations of all stakeholders in Group businesses;
- uphold their statutory and regulatory requirements;
- implement one or more management systems to support continuous improvement in terms of HSE performance;
- involve all employees in efforts to identify and effectively address incidents, with particular focus on their major risks;

Organization

The Chief Executive Officers of Group companies have a mandate to manage health and safety and to implement Group policy. To this end, they are supported by one or more HSE managers per company. HSE managers are responsible, among other things, for risk analyses, monitoring action plans and objectives, management systems, implementation of necessary training and advisory services for employees.

A Group HSE Manager acts as the coordinator between the Group's Executive Committee and the network of Group HSE Managers, in order to ensure that the consolidated targets are met.

4.3.3.2 Action plans

Group HSE coordination

The Group HSE coordinator's role is to:

- propose a Group HSE Policy to the Executive Committee;
- implement the policy and action plans approved by the Executive Committee at the various entities, with the support of the HSE Managers;
- report on the accident indicators to the Executive Committee;
- coordinate the network of Group HSE Managers;
- make suggestions on actions to improve HSE matters. Group HSE policy and implementation across Group entities and companies

The Group's HSE policy forms the bedrock for the CNIM Group's commitments to excellence in the area of health, safety and the environment. It informs development of the HSE policies and objectives of Group entities and companies.

Each Group Department is supported by one or more HSE managers tasked with maintaining one or more HSE management systems, and defining and monitoring action plans designed to achieve Group and Entity-level objectives.

All Group employees at all levels of seniority are closely involved in this process, and the effectiveness of our management systems is reflected in multiple health, safety and environmental certifications.

HSE training and best practices

All employees enroll in a safety training program consistent with their role and the regulations and risk assessments applicable to their activities, including, as a minimum, integration training.

HSE Managers in each Entity regularly discuss the adopted HSE best practices and share related feedback.

2024 roadmap

Procedures and action plans are currently being rolled out to address the Group's major risks, identified as relating to fire, overhead working, falls, handling and road hazards.

A communications campaign on major risks is scheduled to be rolled out at all Group companies.

The handling and analysis of all accidents contribute to achieving the stated target of zero accidents, as part of a continuous improvement approach.

4.3.3.3 Performance indicators and policy results

Performance indicators and targets

- Frequency rate of accidents at work: Target of < 10 by 2024.
- Severity of accidents at work: Target of < 0.20 by 2024.

Scope: Group.

Reporting standard: GRI 403-2/ODD 8.8.

Results achieved in 2020

- Accident frequency rate: 12.06

This result was worse than in 2019. It was due to a greater number of accidents at work recorded in 2020, particular within the scope of CNIM E&E Services and CNIM E&E O&M. A specific action plan is being implemented at these companies and will be maintained in 2021.

- Accident severity rate: 0.41

This result was worse than in 2019. It is the consequence of three serious accidents that led to long work stoppages, which alone accounted for a quarter of the number of days off work over the year.

The Group also suffered a fatal accident during an industrial maintenance operation in 2020. This dramatic event affected all Group employees, especially due to its exceptional nature: it is the only death recorded by the Group since it obtained certification for its Health and Safety management systems used by its operational companies.

In the light of these poor results, the Executive Committee requested an enhanced action plan, monitored on a monthly basis, to bring the Group into line with its targets. Efforts will focus in particular on awareness and training for employees, encouraging employees to provide feedback on events and acting thereon, and on a specific communication plan.

Occupational illnesses

Two occupational illnesses affected Group employees in 2020[5], leading to 524 lost working days. One event related to former exposure, while the second was the result of the development of a musculoskeletal disorder.

CNIM Environnement & Energie EPC wins a Sword of Honour from the British Safety Council for its management of health and safety risks at its Sharjah site

The British Safety Council presented this prestigious award to CNIM Environnement & Energie EPC, appointed by Masdar Bee'ah in relation to the turnkey implementation of its waste-to-energy plant located in Sharjah in the United Arab Emirates. CNIM Environnement & Energie EPC is one of few organizations worldwide to have been awarded a Sword of Honour for its excellence in the management of health and safety risks at work. In order to compete for the Sword of Honour, an organization must, like CNIM, first have achieved the maximum five stars in the British Safety Council's health and safety management audit scheme in the period August 2019 – November 2020. It must also have demonstrated to an independent panel of experts that it has achieved excellence in its health and safety management at all levels of its organization.

[5] Occupational illnesses recognized by the competent independent body for employees who worked for the Group over the period.

CNIM Environnement & Energie Services wins Engie's Health, Safety and Environment competition for its work at Montoir-de-Bretagne

The CNIM E&E Services team won the Health, Safety and Environment competition organized by Engie for its work on redeveloping the combined cycle heat-recovery boiler at its Montoir-de-Bretagne site. The manager of the Engie site congratulated the team on its performance. Preparations at the work site were exemplary and the work was completed without any issues. The team had a clear plan for the work that needed to be carried out and demonstrated a perfect command of all the financial, security, safety, environmental and technical risks involved. Following this competition, Engie agreed to contact the finalists in relation to its next calls for tenders.

Staff at Bertin Medical Waste and CNIM China mobilized to combat the spread of coronavirus

In 2020, the Chinese Ministry of Health purchased a number of Sterilwave treatment stations for the main hospitals in the Wuhan region. These systems can be used for the on-site treatment of biomedical waste that has potentially been contaminated by coronavirus, and to consequently eliminate all risk of contamination outside the hospital. Thanks to the Sterilwave solutions, hazardous waste generated by hospitals is no longer taken by truck from the hospital to remote treatment sites, thereby significantly limiting the risk of contagion.

Bertin Technologies and Enalees launch BEC-SARS-CoV-2, a sensitive ultra-rapid COVID-19 test kit

The BEC-SARS-CoV-2 detection test developed by Bertin Technologies and Enalees with support from the Institut Pasteur is a rapid test capable of detecting the presence of the SARS-Cov-2 virus, including new variants, in less than 30 minutes. It has two applications: the first tests for the presence of the virus in the ambient environment, while the second tests samples of genetic material taken from humans. The BEC-SARS-CoV-2 detection test has been certified by the Centre National de Référence (national reference center) for respiratory infections and received European CE-IVD marking.

Four Group companies, operating across six different establishments, also obtain ISO 45001 certification in 2020, demonstrating the Group’s commitment to involving all employees in risk prevention. The reporting and handling of dangerous situations notified by employees are cases in point.

4.3.4 Waste recovery

4.3.4.1 Waste recovery policy

The CNIM Group's major challenges relating to waste recovery and recycling largely concern the CNIM E&E EPC subsidiary, which designs, builds and commissions turnkey waste-to-energy plants.

Commitments

CNIM E&E EPC aims to provide waste-to-energy facilities that fulfil customers' requirements while delivering optimized environmental performance.

When designing a waste processing plant, multiple factors and regulations must be taken into account. These inputs may be aligned or they may conflict with each other. The principal factors are:

- the existing regulatory framework;
- the customer's specifications;
- the customer and the host country.

Based on these factors, the industrial process is designed and optimized to comply with regulatory and environmental requirements and maximize cost-effectiveness without exceeding the customers' budget.

Objectives

A facility's environmental performance is essentially determined by the technical choices made while developing the proposal. These choices must reflect:

- the facility's level of sensitivity;
- any special requirements in the request for proposals;
- the environmental impact reduction measures adopted;
- optimization of the heat cycle and flue gas treatment according to the customer's priority, i.e. power generation and/or district heating/steam production.

The following principles are applied, depending on the project, in order to optimize the plant's environmental performance:

- integrate flue gas treatment into the waste treatment process, to maximize the energy recovered from flue gases;
- use recovered energy to supply heat to a district heating network or an industrial site, or enhance the plant's power generation performance;
- choose technologies that minimize the plant's on-site consumption;
- reinject waste water into the process, in order to approach zero liquid waste emissions;
- recover storm water for use instead of mains water;
- recover runoff water to avoid the risk of transferring pollution into the storm water system;
- limit noise-related nuisances by enclosing loud equipment;
- enclose areas prone to odors or dust.

A project's economic parameters, as well as local or national waste-to-energy regulations, have a major influence on the choice of technical solutions and hence the performance achievable by the plant.

Organization

The design is optimized by teams of heating engineers and specialists in flue gas treatment and industrial water management technologies. The QHSE Department assists these specialists for the purpose of the project's environmental impact assessment.

4.3.4.2 Action plans

To achieve the stated objectives, CNIM has developed methodological tools that enable plants to deliver and demonstrate optimized environmental performance going forward. These tools consider a plant's full life cycle, compiling exhaustive data relating to its potential environmental impacts and identifying technological solutions for each impact that would mitigate its negative effect or amplify its positive effect on the environment.

A multi-stage process is used:

- review the request for proposals in order to identify the future facility's sensitivity, any special requirements in the RFP, and the customer's wishes and requirements;
- optimize the heat cycle and flue gas treatment process with the aid of best practices and methodological tools.

Recyclability and recovery of waste from facilities owned or operated by the CNIM Group

Alongside its waste-to-energy plant design, construction and commissioning activities, the CNIM Group identifies all waste produced by its own activities and takes all necessary steps to ensure that such waste is sorted, reused, recycled or otherwise recovered.

4.3.4.3 Performance indicators and policy results

Performance indicators and targets

In view of the Group's economic situation in 2020 and the strategic changes made by the Chief Executive Officer of CNIM E&E EPC, the decision was taken that the indicator monitored up until 2019 "CNIM's share of the European waste-to-energy market" was no longer relevant.

Three new indicators, which seek to measure CNIM E&E EPC's capacity to improve its customers' environmental impact, have been introduced:

- Gross electrical efficiency (see BREF on waste incineration): target ≥25% for new plants, and ≥20% for existing facilities.

Reporting standard: GRI 302-3/ODD 7.3.

- Unburned tonnage/tonnage of incinerated waste: target ≤3%.

Reporting standard: GRI 302-3/ODD 7.3.

- Tonnage of final waste/tonnage of incinerated waste: target ≤30kg/tonne.

Reporting standard: GRI 306-2/ODD 12.5.

Scope: CNIM E&E EPC.

Results achieved at plants commissioned in 2020

- Gross electrical efficiency: 31.7%, 25% above the target efficiency.
- Unburned tonnage/tonnage of incinerated waste: 0.13%, above target, with more than 99% of the calorific value of incinerated waste recycled.
- Tonnage of final waste/tonnage of incinerated waste: 25.8kg/tonne, above target.

Acceptance of Wheelabrator’s Kemsley cogeneration plant

The Kemsley cogeneration plant in Kent (United Kingdom) built by CNIM was accepted by its customer, Wheelabrator, on July 16, 2020.

The plant, building work on which began in 2016, consists of two 35 t/h units, capable of processing 550,000 tonnes of non-recyclable waste every year that would otherwise go to landfill or be exported to continental Europe. It produces 42MW (gross) i.e. 37MW (net) of electricity and supplies approximately 100,000 UK homes and businesses. VapoLAB™ flue gas treatment is provided by LAB (a CNIM subsidiary). The plant also generates 180GWh of heat, which will supply steam to the neighboring DS Smith paper mill, which has been in Kemsley since 1924, with the objective of reducing its use of fossil fuels in its production of paper reels.

Waste-to-energy plant in Avonmouth

This plant, for which construction work began in 2017, avoids approximately 320,000 tonnes of non-recyclable waste being sent to landfill each year. It produces 307 GWh of electricity covering its own consumption and that of 84,000 homes.

Viridor’s operators have been trained on CNIM's DOT (Digital Operator Training®) simulator by CNIM Academy’s team. CNIM DOT accurately simulates the various physical reactions of a facility in real time. CNIM Academy’s expert trainers use this teaching tool to significantly improve the training they provide to operators.

Waste sorting, treatment and recovery performance at facilities owned or operated by the CNIM Group

- Waste sorting and recovery activities:
  - 1,308,835 tonnes of input waste processed, up by 3.1%,
  - resulting in 371,316 tonnes of output waste,
  - of which 87% was converted to energy, recycled or recovered as materials.
- Construction activities and the industrial and tertiary facilities generated:
  - 1,420 tonnes of non-hazardous waste, of which 14% was recycled, recovered as materials or converted to energy;
  - 419 tonnes of hazardous waste, of which 9% was recycled, recovered as materials or converted to energy.

A plan to improve the reuse, recycling and recovery of materials on construction sites will be rolled out in 2021.

Reporting standard: GRI 306-2/ODD 12.5.

4.3.5 Energy consumption and energy efficiency

4.3.5.1 Electricity consumption and energy efficiency policy

The CNIM Group's major challenges in waste recycling and recovery are largely addressed by the CNIM Operations & Maintenance Division, which operates energy recovery centres.

Commitments

- CNIM Group policy relating to waste-to-energy plants is based on a commitment to:
- continuously improve energy performance;
- put in place the necessary means - in terms of information availability and resource allocation - to achieve the stated energy-related objectives;
- uphold compliance with statutory requirements.

Objectives

- The CNIM Group's waste-to-energy plants have been assigned the following objectives:
- achieve optimal power generation/steam production performance;
- optimize plant availability rates;
- optimize on-site energy use, and therefore:
    - monitor, measure and analyze energy consumption,
    - implement the necessary procedures and instructions,
    - train employees and raise awareness of their role in managing energy in their working lives.

Resources

To track progress toward these goals, the following monthly global operational performance indicators have been defined for these plants:

- tonnage burnt;
- quantity of steam produced;
- quantity of electricity produced;
- quantity of electricity consumed;

quantity of electricity purchased.

4.3.5.2 Action plans

The following actions are performed to enable each company to achieve its objectives:

- analyze energy uses and consumption;
- identify significant energy uses;
- identify and rank potential sources of energy performance improvements;
- define energy consumption benchmarks;
- set targets associated with the energy performance indicators;
- analyze the results achieved;
- identify improvement actions and quantify the potential gains.

4.3.5.3 Performance indicators and policy results

Performance indicators and targets

- Waste processing and waste-to-energy plants currently operated by the CNIM Group in France holding ISO 50 001 certification: target of 100%.
- Waste processing and waste-to-energy plants currently operated by the CNIM Group outside France holding ISO 50 001 certification: target of 100% by 2025.
- Availability rate of waste-to-energy facilities: target of 90%.

Reporting standard: internal company standard / ODD 7.3.

Scope: CNIM E&E O&M

Results achieved in 2020

- All waste-to-energy plants in France are ISO 50 001-certified (see table of certifications in section 2.7);
- ISO 50 001 certification for waste-to-energy plants outside France: none of these sites are currently certified. Work has started on introducing this management system by 2025, in line with the target.

Plant availability rate: 89.5%. This rate, very slightly below the target rate, can be explained by an accident at the Pluzunet waste-to-energy plant, which caused availability to fall to 65% at that site over the year. The other facilities have an average availability rate of 91.3%, above the target.

Energy consumption in 2020 for all sites owned or operated by the CNIM Group

Data	Unit	Quantity
City gas for heating and processes	MWh	73,011
Ordinary domestic fuel	L	799,539
Mobile sources of petrol fuel (light and heavy vehicles)	L	321,854
Non-road diesel	L	338,370
Mobile sources of petrol fuel	L	113,343
Forklift gas (propane)	kg	4,151
Process gases (acetylene)	m^3	3,729
Electricity	MWh	113,788
of which proportion of renewable electricity	MWh	94,770
Heating network	MWh	495

Reporting standard : GRI 302-1.

Highlight: the Group's usage of renewable electricity as a share of all electricity consumption was 83%. This very high percentage is primarily due to on-site consumption by the Group's waste-to-energy and energy production sites and, to a lesser extent, by the increase in the proportion of renewable electricity provided by electricity suppliers.

A world first for CNIM with the commissioning of an absorption heat pump for Brive's heating network

The system provided and installed by CNIM at the waste-to-energy plant in Saint-Pantaléon de Larche (Nouvelle-Aquitaine) is based on a heat pump that supplies 13MW to Brive's heating network. It recovers and recycles the low pressure steam that leaves the plant's turbines and reinjects it directly into the city's heating network. This is a world first since the system, which was designed and delivered by CNIM in the space of a year, recycles "waste" heat, the temperature of which (40°C) is too low to be directly reused. CNIM's absorption heat pump captures the heat present in the low pressure steam and transfers it to the water in the heating network. The temperature of the water increases from 40°C to 80°C and can be reinjected into the network to supply residences in the city with green energy.

Energy audits

Since 2015, energy audits pursuant to European Directive 2012/27/EU and the EN 16 247 standard have been conducted in all Group companies subject to them. This measure is aimed at encouraging companies exceeding certain size or revenue thresholds to put an energy efficiency strategy in place for their businesses. Following this structured approach enables opportunities to improve energy efficiency to be identified, as well as the capital expenditure that would be required and the payback period for the investments. These audits confirmed that steps had already been under way for several years to control energy consumption at the main sites.

4.3.6 Prevention and reduction of atmospheric emissions

4.3.6.1 Atmospheric emissions prevention and reduction policy

The major challenges facing CNIM in terms of atmospheric emissions prevention and reduction are tackled primarily by the companies in the Environment & Energy (E&E) segment:

- LAB designs, builds and commissions turnkey systems and facilities that process and reduce polluting emissions;
- CNIM E&E O&M (Operations & Maintenance) oversees the subsidiaries tasked with operating waste incineration and waste-to-energy plants.

Policy, commitments and organization of LAB

LAB is a global player in engineering, construction and services, backed by around 150 highly qualified engineers. LAB provides its customers with integrated solutions to decrease their pollutant emissions, based on state-of-the-art technologies. In this business, particular emphasis is given to preventing and reducing atmospheric emissions.

To achieve its goals, the company has developed a portfolio of businesses including, among other things, the supply of:

- turnkey combustion gas treatment systems, designed specifically but not exclusively to reduce the atmospheric emissions of waste-to-energy and biomass-to-energy plants, thermal power plants and other industrial facilities;

- marine scrubbers and nitrous oxide (NOx) treatment systems for the shipping industry, and more generally, solutions to decrease nitrous oxide and sulfur dioxide emissions from ships;
- turnkey integrated facilities designed to improve energy efficiency and decrease pollutant emission levels.

Improving environmental impact performance is a core focus of LAB's activities and its quality, hygiene, health, safety and environment policy, and is central to the mindset of management and employees alike. Constantly striving for improvement, the Quality, Health, Hygiene, Safety and Environment Department plays an active organizational role and covers the full spectrum of these issues. LAB surpasses the requirements of its highly regulated, fiercely competitive market, proving its determination and ability to improve the environmental footprint of its customers' activities, and society more generally.

This focus on environmental impacts is the very essence of LAB's business. Accordingly, in order to achieve its quality targets, the company is ISO 9001, ISO 45001, ISO 14001 and MASE certified, enabling it to commit to the highest performance standards required by the market or required by the regulatory framework. Compliance with these quality, health & safety and environmental standards is also a key success factor for sustainable development of the company's businesses.

In view of the environmental impact of the construction, commissioning and service businesses, LAB endeavors to apply its expertise and best practices to satisfy the requirements of its customers and partners, and to implement a continuous improvement approach.

This mentality also leads us to develop cutting-edge technologies. In this respect, Research and Development are strategically important for LAB's activities and organization. LAB operates its own Research and Development Department, which drives the company's short- and long-term development and fosters an innovation culture. LAB's status as a technological leader in the field of environmental footprint reduction is underpinned by around 50 patents as well as a portfolio of projects benefiting its customers and the environment alike.

4.3.6.2 Action plans

Achieving our goals requires us to continuously improve our technologies: LAB must retain its status as a technological leader. To sustain its growth and long-term success, LAB must ensure that the supply, construction and commissioning of its polluting emissions reduction systems are carried out to the highest standards. All tasks contributing to these objectives are integrated into employees' work processes and the company's long-term business plan.

The key features of this action plan are as follows:

- carry out Research and Development activities with a view to remaining the leader in the current technologies, and develop new technologies that address customer expectations and environmental necessities.
- deliver cutting-edge operational excellence, optimizing processes and providing the necessary support to customers to ensure that systems perform at maximum efficiency.
- develop our talents and teams, in order to be an organization that is continually developing skills, and that is ready to meet new challenges and successfully achieve our shared goals.

Implementing this action plan will ensure that LAB is ready to rise to future challenges, just as it has achieved its goals in past years.

4.3.6.3 Indicateurs de performance et résultats des politiques

LAB activities

Using state-of-the-art technologies, LAB strives to reduce the environmental impact of combustion systems by supplying the most efficient atmospheric emission reduction systems possible. To achieve this goal, LAB designs and builds combustion gas scrubbing systems using the best available techniques that are in line with customers' requirements.

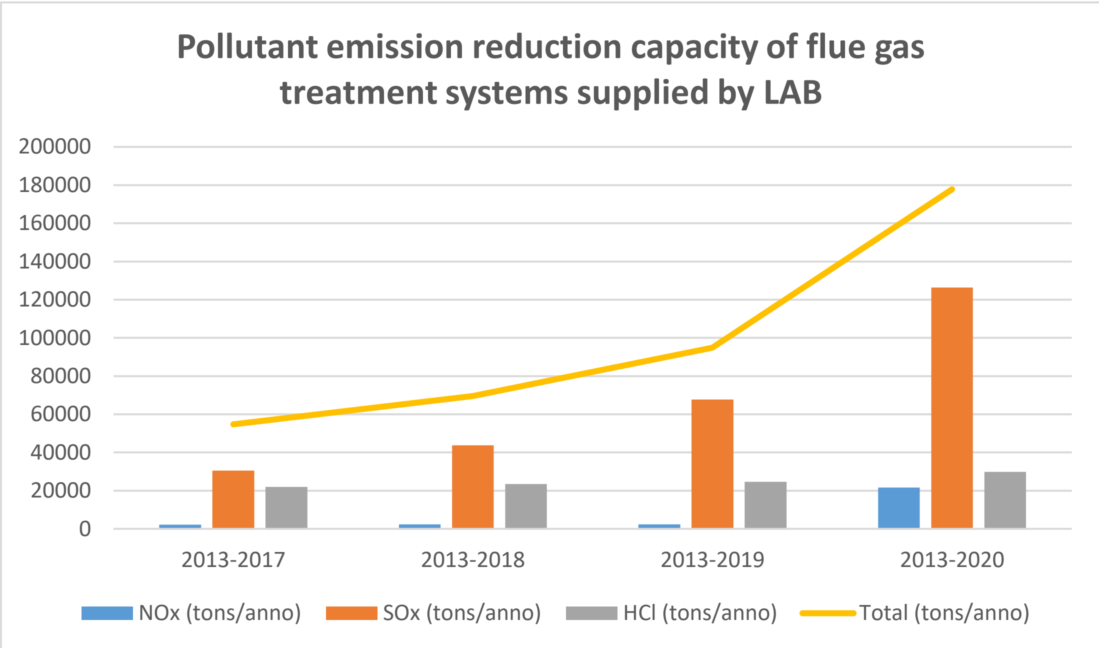
Performance indicators: pollutant emission reduction capacity of our completed projects

The chart below shows the pollutant emission reduction capacity of the flue gas treatment systems handed over by LAB. It is clear from the chart that the efforts invested in Research and Development, winning new contracts and the efforts made in terms of quality and environmental impact have led to very significant reductions in atmospheric emissions. In this respect, LAB is a major contributor to improvements in our customers', partners' and stakeholders' environmental footprints and operating conditions.

Internal reporting standard / GRI 305-5 / ODD 12.4.

Scope: LAB

Result achieved in 2020:



**The date includes the DeNox marine scrubber activity from 2020 onwards (business purchased by LAB GmbH from another industrial group in 2019).*

The chart above measures the cumulative annual reduction since 2013 of NOx, SOx and HCl emissions achieved by the flue gas treatment systems delivered by LAB to its clients.

Note that LAB's ability to reduce polluting emissions partly depends on the choices made by its clients, which may opt for:

- a solution that complies with their legal obligations; or
- a solution that goes beyond their legal obligations, choosing a solution that uses the best available techniques.

An illustration of LAB's work is its marine scrubber for the shipping industry. These systems help to significantly reduce sulfur dioxide (SOx) emissions into the atmosphere. LAB installed and commissioned a number of systems for well-known shipping companies in 2020. After these systems were commissioned, the level of emissions measured by independent inspection bodies were lower than those required by its clients and to which LAB had committed.

Delivery of the flue gas treatment system for the new waste-to-energy plant in Kaunas (Lithuania)

In 2020, LAB delivered the flue gas treatment system, including heat recovery by flue gas condensation, for the new 85MW Waste-to-Energy plant in Kaunas, to its customer, UAB Kauno Kogeneracine Jegaine. The flue gas treatment process comprises a patented SecoLAB® dry system, supplemented by an efficient flue gas condensation system combined with combustion air humidification, enabling the injection of approximately 22MW to the local urban heating network.

Handover of the flue gas treatment system for the new Hofor Bio4 biomass-to-energy plant in Copenhagen (Denmark)

In 2020, LAB delivered lots M6 (flue gas treatment) and M7 (flue gas condensation) to the energy supplier, HOFOR, for the new woodchip biomass-to-energy plant in Copenhagen. This biomass plant completely replaces the use of coal in the Danish capital and has a capacity of approximately 150 MWe and 415 MWth (including 125 MWth for the flue gas condensation system delivered by LAB).

CNIM Group's greenhouse gas performance

In 2020, aggregated greenhouse gas emissions for the CNIM Group were 532,983 tCO2e, with an uncertainty rating of 42%:

- Direct emissions from non-energy processes (waste processing) represent more than 85% of emissions.
- The 42% uncertainty rating is largely attributable to the significant waste incineration business, as the incineration emission factor has an uncertainty of 50%.
- The quantity of carbon dioxide emissions was 3.5% greater than in 2019 as a result of the increase in the tonnage of waste processed (+3.3%).
- The site operated by CNIM Azerbaijan accounts for 42% of the Group's CO_2 emissions and 35% of avoided emissions.

			Greenhouse gas emissions							Avoided greenhouse gas emissions
Emissions categories	**No.**	**Emission items**	CO2 (t CO2e)	CH4 (t CO2e)	N2O (t CO2e)	Other gases (t CO2e)	**Total (t CO2e)**	CO2 b (t CO2e)	Uncertainty (t CO2e)	**Total (t CO2e)**
Direct greenhouse gas emissions	1	Stationary combustion emissions	17,579	42	191	0	17,812	59	707	0
	2	Mobile emissions	842	1	8	0	850	214	21	0
	3	Emissions from non-energy processes	419,496	61	0	290	453,731	0	210,901	0
	4	Fugitive emissions	2	0	0	0	2	0	0	0
	5	Biomass emissions (soils and forests)	0	0	0	0	0	0	0	0
		Sub-total	**437,919**	**104**	**198**	**290**	**472,394**	**273**	**210,902**	**0**
Indirect emissions associated with energy	6	Indirect emissions associated with electricity consumption	5,854	0	0	0	5,854	0	310	159,463
	7	Indirect emissions associated with steam, heat or cold energy consumption	79	0	0	0	79	0	3	32,933
		Sub-total	**5,933**	**0**	**0**	**0**	**5,933**	**0**	**310**	**192,395**
Other indirect greenhouse gas emissions	8	Energy-related emissions not included in items 1-7	3,264	1,052	52	0	4,369	-273	137	86,627
	9	Purchased goods and services	0	0	0	0	0	0	0	0
	10	Capital property	0	0	0	0	0	0	2	0
	11	Final waste	48,480	248	1,559	0	50,287	13,814	12,259	111
	12	Upstream goods transport	0	0	0	0	0	0	0	0
	13	Business travel	0	0	0	0	0	0	0	0
	14	Upstream leasing	0	0	0	0	0	0	0	0
	15	Investments	0	0	0	0	0	0	0	0
	16	Visitor and customer transport	0	0	0	0	0	0	0	0
	17	Downstream goods transport	0	0	0	0	0	0	0	0
	18	Use of products sold	0	0	0	0	0	0	0	0
	19	End-of-life of products sold	0	0	0	0	0	0	0	0
	20	Downstream tax exemption	0	0	0	0	0	0	0	0
	21	Downstream leasing	0	0	0	0	0	0	0	0
	22	Commuting	0	0	0	0	0	0	0	0
	23	Other indirect emissions	0	0	0	0	0	0	0	0
		Sub-total	**51,744**	**1,301**	**1,611**	**0**	**54,656**	**13,541**	**12,260**	**86,738**
TOTAL			495,595	1,405	1,809	290	532,983	13,814	223,472	279,133

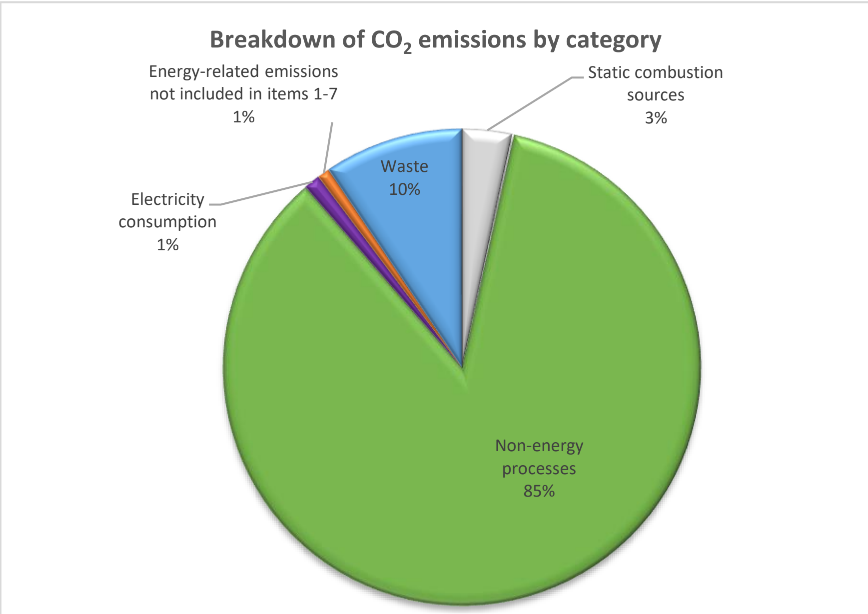
Avoided emissions: emissions that would have been generated in order to produce the same quantity of energy or raw material using existing production methods (based on the national energy mix).

Reporting standard: GRI 305-1/305-2/305-3.

Breakdown of CO_2 emissions by category

- The 'Direct emissions from non-energy processes' item represents 85% of the CNIM Group’s CO2e emissions. These emissions are related to waste-to-energy operations, which also make a very important contribution to avoided emissions.
- The 'Waste' item, which accounts for 10% of the Group’s CO2 emissions, is also linked to the waste sorting and W2E business.

The other greenhouse gas emissions, amounting to approximately 4%, are the consequence of energy consumption (gas, electricity and diesel, etc.) by the vehicles and buildings of Group companies.



Emissions avoided by the CNIM Group

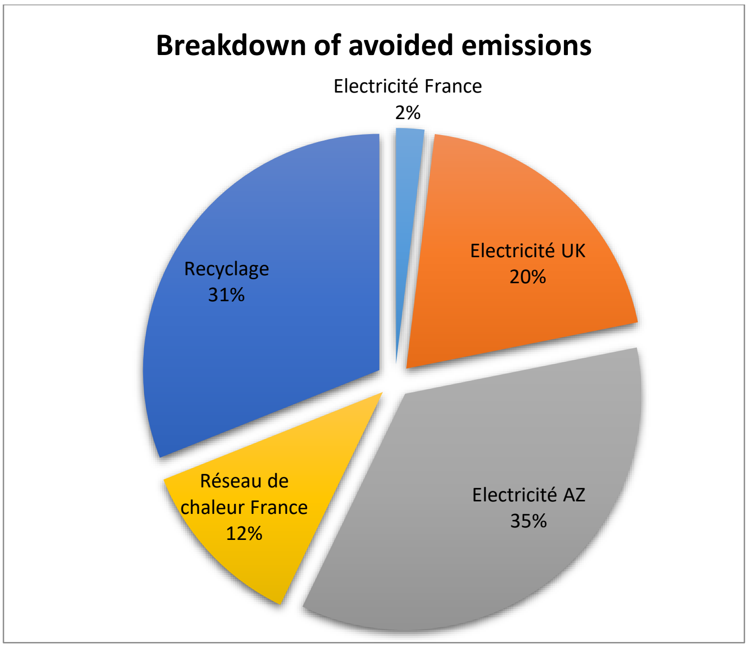
The Carbon Accounting method estimates the emissions avoided by a certain activity. In the case of the CNIM Group, this activity is waste-to-energy reprocessing and the recycling of materials.

In 2020, CNIM Group sites enabled 279,133 tCO2e of emissions to be avoided, representing 52% of total emissions:

- Electricity sales in the United Kingdom and Azerbaijan account for a significant proportion of the avoided emissions, since the production of electricity in these two countries relies more heavily on carbon-based fuels that it does in France.
- Electricity sold in France has little impact on the Group’s avoided emissions, due to the significant role of nuclear energy in France’s energy mix, resulting in an electricity emissions factor in kWh that is very low compared with the United Kingdom and Azerbaijan (ten times lower).

	Emissions factor	Emissions avoided
	$kgCO_2e/MWh$	tCO_2e
Electricity in the United Kingdom	457	55,598
Electricity in Azerbaijan	584	98,474
Electricity in France	41*	5,391
Heat in France	279	32,933
Recycling of materials		86,627

**The carbon database emissions factor is 60kg CO2e/MWh for France, but 40.7kg CO2e/MWh if the share relating to the distribution and transportation of electricity (which is outside CNIM’s scope) is excluded. This figure is very low in comparison with the United Kingdom or Azerbaijan, which is due to the very considerable role of nuclear power in France’s energy mix.*



Emissions avoided at waste-to-energy plants: change vs. 2019

- The quantity of waste recycled increased substantially, as CNIM Paris Batignolles's results were included on a full-year basis.
- In overall terms, the quantity of avoided emissions increased by 16%. A proportion of this increase can be explained by the change in the electricity emissions factor in Azerbaijan. At equivalent emissions factors, avoided emissions increased by 9%.
- In 2020, the CNIM Group's avoided emissions ratio was 168 kg Co2e/tonne of waste processed, an improvement of 5.3% from 2019.

GRI 305-4 / 305-5 / 305-6 / ODD 12.4

4.3.7 Ethics and anti-corruption measures

4.3.7.1 Ethics and anti-corruption policy

Commitments

In carrying out its business, the CNIM Group promotes a culture of integrity and compliance, based on upholding and adapting to applicable incoming ethics standards and legislation, both in France and in other countries where our employees conduct our business.

Since 2013, the Group has been committed to raising staff awareness to the risk of fraud. Initially aimed at managers, it was then extended to purchasers and clients. Acknowledging new French legislation (Loi Sapin II) on transparency, anti-corruption measures and modernizing economic life, the Group updated and enhanced its corruption risk management system, applicable to CNIM Groupe and to all companies controlled by CNIM Groupe.

With reference to the eight measures highlighted by the *Agence Française Anti-corruption*, the principal documents on which this system is based are:

- an Ethical Charter;
- an Anti-Corruption Code of Conduct;
- a Purchasing Code of Conduct;
- a stock market and confidentiality charter;
- a sales agent selection and monitoring procedure;
- a corruption risk management procedure for partnerships;
- a gifts and invitations management procedure;
- a whistleblowing procedure covering recording and processing aspects.

Structure of the Compliance function in the CNIM group

The Compliance function is run by the Group's General Counsel, the de facto Chief Compliance Officer, who reports to the Group's Chief Executive Officer.

Following on from the action taken to enhance the anti-corruption mechanism, and in line with the recommendations of the *Agence Française Anti-corruption*, Group introduced a Compliance network in 2019, which operates as described below. This system is organized with the aim of enabling a combination of centralized management, to ensure controlled, uniform application, and operational management implemented locally by the various subsidiaries and entities.

In addition, the Compliance function and the internal control function operate separately for the purposes of the anti-corruption mechanism.

<u>The Group Chief Compliance Officer (CCO):</u>

- reports to the Group's Chief Executive Officer on these issues;
- sits on the steering committee;
- defines and organizes the Compliance function and ensures that its work is implemented in the Group;
- is the principal contact of the supervisory authorities, with the ability to intervene in compliance matters, in the broadest sense of the term;
- Is responsible for compliance issues before the various governance bodies (Executive Committee, Audit Committee, Board of Directors);
- has full discretion to independently carry out any internal investigation he/she considers appropriate.

<u>The Group Compliance Officer:</u>

- reports to the Group CCO;
- designs the compliance program and, first and foremost, the anti-corruption system;
- coordinates and oversees the deployment, implementation and updating of the system, and leads the Compliance network within the Group;
- monitors regulatory changes and best practices;
- organizes and leads training within the Group;
- is the point of contact for operational functions;
- organizes meetings of the Compliance steering committee and reports to the Group's executive bodies on the implementation and effectiveness of the program;
- contributes to any internal or independent investigations relating to the program, or any that may be launched in the event that the internal alert system is used.

<u>Compliance Officers:</u>

- are distributed across the Group's various companies, where they assist in deploying the compliance program and, in particular, ensure that anti-corruption procedures are properly applied;
- work as separately and independently as possible from the Group's operational activities;
- report on the deployment and implementation of the Group Compliance Officer's program;
- alert the Group Compliance Officer and their managers if they become suspicious or in the event of conduct or situations that breach applicable charters, codes and procedures;
- participate in and contribute to the Compliance network;
- functionally report to the Group Compliance Officer in respect of Compliance activities.

4.3.7.2 Action plans

Sales agent evaluations

The sales agent selection and monitoring procedures specifies the selection criteria and requirements relating to the evaluation, approval and monitoring of sales agents with whom a business relationship is under consideration or already exists.

This procedure concerns the following functions: Chief Executive Officer and the Compliance Officer of the relevant subsidiary, Sales managers, Group Compliance Officer, Group Chief Financial Officer and General Counsel.

Sales agent evaluations are systematically informed by:

- analyzing due-diligence questionnaires;
- processing data in specialist databases;
- examining the findings of any independent detailed due-diligence reviews.

Partner evaluations

The corruption risk management procedure applicable to partnerships specifies the selection criteria and requirements relating to the evaluation, approval and monitoring of third parties with which a partnership - in the form of a joint business or joint-venture - is under consideration or already exists.

This procedure principally concerns:

- employees responsible for identifying, selecting, approving and monitoring partners;
- employees responsible for drafting, negotiating and approving partnership agreements;
- employees representing the interests of CNIM Groupe or one of its subsidiaries as members of a decision-making body in a partnership.

Partner evaluations are systematically informed by:

- the partnership terms and conditions;
- analyzing due-diligence questionnaires and processing data in specialist databases;
- in the event of negative signals, the findings of independent due-diligence reviews.

Assessment of customers and suppliers

The procedure for managing the risk of corruption in relationship with the Group's customers, suppliers and subcontractors is being overhauled, in order to reflect the most recent recommendations of the *Agence Française Anticorruption* (French Anti-corruption Agency or AFA) published in the Official Journal on January 10, 2021. It seeks to determine groups of third parties that present similar levels of risk and to adapt the assessment procedures by reference to those levels. Once drawn up, it will apply to all third parties with whom the Group is proposing to enter or has entered into an agreement, based on the priorities established jointly by the Group Compliance Officer, compliance officers at other Group companies and the relevant operational managers.

Employee awareness and training for exposed individuals

Communication and training are the basis of the internal and external awareness-raising strategy, and an area of priority in the anti-corruption initiative put in place by the Group.

Accordingly, following on from the training and awareness initiatives implemented since 2013, a new wide-ranging training and awareness plan was launched in 2019.

4.3.7.3 Performance indicators and policy results

Performance indicators and targets

In view of the most recent recommendations of the AFA and the ongoing overhaul of the third-party assessment procedure, the decision has been taken to retain the first indicator that seeks to measure the percentage of employees exposed to the risk of corruption who have received training on the Group’s system, and to introduce a new indicator that seeks to measure the percentage of third parties assessed as being high-risk:

- CNIM Group employees most exposed to corruption and influence-peddling risks: target of 100% trained or made aware of the risks by 2021, with new hires receiving training within a year of starting work.

Reporting standard: GRI 205-2/ODD 16.5.

- Proportion of due diligence carried out on "high-risk" third parties: all new third parties in 2021; all third parties by 2023.

Reporting standard: GRI 205-1 / 414-1 /ODD 16.5.

Scope: Group.

Status in 2020

<u>Proportion of employees the most exposed to corruption risks that have received training:</u>

- 611 Group employees have been identified as being exposed to the risk of corruption and influence peddling.
- 9 face-to-face training sessions were organized up until March 2020, when the lockdown, remote working and social distancing measures imposed as a result of the COVID-19 pandemic meant that no further training sessions could be held in 2020.
- Of those 611 people, 443 were invited to a face-to-face training session on the Group’s anti-corruption mechanism, and 346 actually participated in the session. Thus:
    - 72% of exposed employees were invited for training;
    - 78% of exposed employees invited for training attended the sessions.

Proportion of due diligence carried out on "high-risk" third parties:

As this new indicator has only recently been introduced, results will be available from 2021 onwards.

Based on the AFA's recommendations on training employees who are the most exposed to corruption risks, the Group has decided to hold face-to-face training sessions to ensure that employees fully understand the Group's anti-corruption system, the high-risk situations to which they may be exposed as a result of their position and the procedures that apply in such situations. In this respect, the training program that began in early 2020 and that sought to cover all employees exposed to corruption risk had to be suspended in March 2020 as a result of the COVID-19 pandemic. It will resume as soon as possible in 2021.

The roll-out of the entire anti-corruption system was also the subject of a progress report made to the Audit Committee in November 2020.

Performance in terms of confirmed cases of corruption

During the 2020 financial year:

- no internal alerts concerning suspected or actual corruption were received;
- no confirmed cases of corruption were identified;
- no employees were dismissed or disciplined in relation to corruption;
- one agreement with an intermediary was not renewed on the basis that the risk of corruption was too high;
- no corruption-related convictions were imposed on CNIM Groupe or any of its subsidiaries or employees.

Reporting standard: GRI 205-3/ODD 16.5.

The CNIM Group reaffirms its strong commitment to ethical matters and the prevention of corruption

In 2020, Louis-Roch Burgard, Chief Executive Officer of the CNIM Group, decided to reaffirm his absolute personal commitment, and that of the members of the Group's Executive Committee, to complying with and upholding all ethics charters and codes of conduct.

These commitments are documented in the Ethics Charter, the Anti-Corruption Code of Conduct, the Purchasing Code of Conduct and the Stock Market and Confidentiality Charter. They are available at cnim.com.

Details of the whistleblowing system are available internally on the Group's intranet and externally at cnim.com. This system allows conduct contrary to the commitments made by the Group to be reported in confidence. Training on the Group's corruption prevention program was widely rolled out in 2020 and the same will happen in 2021. Lastly, the risk mapping associated with the prevention of corruption (Sapin II law) will be reviewed in the first quarter of 2021. This is a dynamic, continually improving procedure that assists the company in its developments and with which all employees are required to make progress. Ethics and compliance procedures are tools that seek to ensure the long-term nature of the Group's business activities and value creation levers.

4.3.8 Summary of performance indicators and results

	2018	2019	2020	Target	References	
HR: Attracting and retaining talent						
Employee turnover rate: voluntary departure rate (excluding employees who retire or leave upon contract expiry)	23.70%	12%	8%	≤15% by 2023	GRI 401-1	
Internal mobility rate (percentage of positions filled through internal mobility)	Not available	25%	30%	≥30% by 2023	Company	ODD 4.4
HR: Training and skills management						
Number of training hours/employee	22	21	13	28	GRI 404-1	ODD 4.4
Proportion of employees who have received at least one training session	74%	81%	51%	80%	Company	
Proportion of employees who have received an annual appraisal	97%	78%	79%	98%	GRI 404-3	
Health and safety:						
Frequency rate of occupational accidents:	15.59	9.85	12.06	<10 by 2024	GRI 403-2	ODD 8.8
Severity rate of occupational accidents:	0.29	0.26	0.41	<0.20 by 2024		
Energy consumption and energy efficiency (O&M):						
ISO 50 001 certification for waste-to-energy plants in France	100%	100%	100%	100%	Company	ODD 7.3
ISO 50001 certification for waste-to-energy plants outside France	0%	0%	0%	100% by 2025		
Plant availability rate	90%	87.5%	89.5%	90%		
Processing of waste of delivered projects (EPC):						
Gross electrical efficiency	Not available		31.70%	≥25%	GRI 302-3 GRI 306-2	ODD 7.3
Ratio of unburned tonnage/tonnage of incinerated waste			0.13%	≤3%		
Ration of tonnage of final waste/tonnage of incinerated waste			25.8 kg/tonne	≤30 kg/tonne		ODD 12.5
Prevention and reduction of atmospheric emissions (LAB):						
Pollutant emission reduction capacity of our completed projects	70,000 tonnes	94,800 tonnes	177,782 tonnes	Aggregate tonnage *(depending on facilities)*	GRI 305-5	ODD 12.4
Ethics and anti-corruption measures:						
Proportion of the most exposed employees that have been trained or made aware	0%	67%	78%	100% by 2021	GRI 205-2	ODD 16.5
Proportion of due diligence carried on "high-risk" third parties (Countries with a CPI score < 40 or Estimated Vulnerability to Slavery Index >50)	Not available			all new third parties in 2021 all third parties by 2023	GRI 205-1 GRI 414-1	ODD 8.7 ODD 16.5

4.4 Other areas referred to in Article L225-102-1 of the French Commercial Code

4.4.1 Social commitments to sustainable development and the circular economy

Waste sorting centers: contributing to waste recycling and social inclusion

CNIM Insertion and CNIM Activ'Emploi

Since 2009 and the creation of the Thiverval Grignon (Yvelines, France) waste sorting center, for which the operating contract was awarded to CNIM, CNIM Insertion has offered social support and employment to people in difficulty, to facilitate their integration into the economy. The undertaking is a State-accredited company for the integration of workers through economic activity. The people in question are hired for a maximum of 24 months, trained as sorting team members and helped with their social challenges, particularly jobseeking, as this activity is intended to be only one stage in their journey, serving as a springboard into long-term employment. CNIM Insertion's mission comprises numerous positive outcome objectives, as the reintegration process can be counted a success only when the person has been able to find a job or take a training course that matches their aspirations and skills.

Since obtaining State certification in 2009, CNIM Insertion received AFAQ EI/ETTI approval in 2013: it is the first integration enterprise in Ile-de-France to obtain AFNOR certification, which aims to validate the social practices of sheltered employment companies.

A similar system has been put it place at the new Paris Batignolles sorting center, built by CNIM and commissioned in mid-2019. For 2020:

- CNIM Insertion: 64 people were awarded a contract. Ten of these went on to obtain either a permanent position with a six-month or longer fixed-term contract, or a place on a training course leading to a qualification.
- CNIM Activ'Emploi: 42 people were awarded a contract. Three of these went on to obtain either a permanent position with a six-month or longer fixed-term contract, or a place on a training course leading to a qualification.

Reuse of IT equipment

Since 2014, the CNIM Group has signed partnership agreements with disability-friendly businesses, respectively concerning the recycling or reconditioning of used IT equipment and screens for all French subsidiaries and the sorting and recycling of third-party site waste.

In 2020, the partnership on the management of the Group's end-of-life IT equipment collected 5 tonnes of equipment, with a reuse rate exceeding 37.2%. Given the low levels of recycling for this type of equipment and their significant environmental impact, the results achieved by this partnership are very positive.

Under these agreements, the CNIM Group contributes on the one hand to reintegrating people into the job market who find it difficult to obtain work and on the other to the circular economy, by:

- reducing the Group's environmental impact by reducing waste and the associated CO2 emissions;
- transforming waste into resources, thus limiting the consumption of raw materials;
- prioritizing reuse.

4.4.2 Collective labor agreements

Collective labor agreements and their impact on the company's economic performance and on employees' working conditions

<table>
<tr><th>Type of agreement</th><th>Company</th><th>Nature of the agreement</th></tr>
<tr><td rowspan="2">Agreements affecting remuneration</td><td>Bertin Technologies</td><td>Agreement on Annual Mandatory Negotiations</td></tr>
<tr><td>CNIM Centre France</td><td>Agreement on Annual Mandatory Negotiations</td></tr>
<tr><td></td><td>Bertin IT</td><td>Profit-sharing agreement for 2020, 2021 and 2022</td></tr>
<tr><td rowspan="3">Agreements affecting working conditions</td><td rowspan="2">UES CNIM</td><td>Agreement on remote working</td></tr>
<tr><td>Agreement on carrying forward paid holiday</td></tr>
<tr><td>LAB</td><td>Agreement on remote working</td></tr>
<tr><td rowspan="2"></td><td>Bertin Technologies</td><td>Agreement on the introduction of a COVID-19 structure</td></tr>
<tr><td>Bertin IT</td><td>Agreement on the introduction of a COVID-19 structure</td></tr>
</table>

4.4.3 Respect for human rights

In view of:

- the international nature of the Group's activities,
- the Modern Slavery Act that came into force in the United Kingdom in 2015,
- the extent of the Group's activities in the United Kingdom for a number of years,

a specific action plan was implemented in the Procurement Departments of the Group's principal companies, in order to ensure compliance by suppliers and subcontractors with human rights.

This action plan underlines the Group's commitment to honor the principles and rights proclaimed under the 1998 Declaration of the International Labor Organization, which promotes dignity in labor and fundamental conventions worldwide, and ensure that its subsidiaries and business partners do the same. The action plan is made up as follows:

- Declaration of Commitment by the Board of Directors;
- Group Purchasing Policy describing the Group's CSR commitments and its expectations of its business partners;
- Inclusion of a clause on respect for human rights in the General Procurement Terms & Conditions;
- Annual declaration on slavery and human trafficking;

- Inclusion of an undertaking to respect human rights in our supplier and subcontractor approval questionnaire;
- Vigilance in relation to posted workers and payment of social security contributions by suppliers and subcontractors.

In addition, the CNIM Group's commitments to health and safety conditions at work, training, employment relations and combating discrimination are described in sections 4.3.1, 4.3.2 and 4.3.5 of this report.

4.4.4 Measures taken to reduce food waste and insecurity

In response to the Law of February 11, 2016 on combating food waste, the CNIM Group does not buy, process, distribute or sell foodstuffs in the course of its business. In addition, only two Group companies have their own company canteen. Accordingly:

- reducing food waste,
- combating food insecurity,
- animal welfare,
- and sustainable, fair-trade and responsibly produced food,

are not major issues for the Group, and no specific action plan has been established for these topics other than the vigilance and common-sense measures that the Group applies to all of its consumption and waste.

4.4.5 Effects of climate change

In response to the law of August 17, 2015 on energy transition for green growth, the materiality analysis set out in section 2.7 shows that adapting to the consequences of climate change is not a major challenge for the CNIM Group.

In addition, the strategy put in place by the CNIM Group, that seeks to reduce its environmental impact and that of its customers, as well as the consequences of its business activity and the use of the goods and services that it produces on climate change are discussed in sections 4.3.4, 4.3.5 and 4.3.6.

4.4.6 Measures taken to combat tax evasion

Tax policy

The main aim of the CNIM Group tax policy is to secure the Group's positions with regard to the governments of the various countries in which it operates, by complying with the relevant obligations.

This is achieved by i) determining, drafting and regularly updating a transfer pricing policy, demonstrating to tax authorities that the international principles governing the allocation of profits between our entities are upheld; ii) systematically reviewing the accounts of each Group entity, ensuring that the positions adopted are consistent with local tax obligations and iii) providing frequent training for all individuals whose activities affect the tax results of Group entities.

Furthermore, the Tax Department provides supervisory and advisory services for tendering processes, to ensure that the flows between legal entities involved in a project comply with the Group's transfer pricing policy.

This mission appears to be a success, in view of the very limited tax adjustments paid by the Group across all countries in which it operates.

Lastly, the Tax Department maintains a systematic watch over all tax credits recorded by the various Group companies in order to liaise with the relevant tax authorities responsible for refunds.

Commitments by the Tax Department

The Group's Tax Department, cooperating with the various divisions:

- establishes general transfer pricing principles enabling compliance with all applicable tax obligations;
- drafts and regularly updates the Group's documentation relating to transfer pricing, enabling documents to be submitted to authorities promptly upon request;
- upholds compliance with filing deadlines across all Group entities;
- verifies the accuracy of tax statements filed by Group entities.

Organization

As financial support functions to Group entities are centralized, the Finance Department offers assistance, advice and supervision during account closing procedures, to ensure that the information on which tax statements are based is as reliable as possible.

The Finance Department also reviews all Group proposals i) exceeding a critical size threshold or ii) submitted in a region in which the Group is not present or has no previous contracting history.

4.5 Methodology applied for the CNIM Group's Declaration of Non-Financial Performance for 2020

The format of this report is a declaration of non-financial performance, required pursuant to Decree no. 2017-1265 of August 9, 2017, implementing order no. 2017-1180 of July 19, 2017 that transposed European Directive 2014/95/EU. However, in the interests of continuity and information transparency, and with a view to meeting the expectations of certain stakeholders, certain employment, environmental and societal information has been retained.

The scope is fixed as at December 31 of the financial year.

4.5.1 Consolidation scope

The list of entities to be covered by the Declaration of Non-Financial Performance is proposed by the Group CSR Manager and approved by the Group's Executive Committee and the General Management of the subsidiaries concerned.

The Group CSR Manager is responsible for collecting and consolidating data and drafting this report. To that end, he relies on a network of officers in the Group’s various companies and provides them with preformatted tables for collecting data. In order to make the information consistent and limit the risk of errors being made, these tables state the methodology to be followed and the nature of the information to be collected.

The data is archived from year to year, with a view to carrying out checks on consistency and ensuring the reliable collection of data. For the waste-to-energy and sorting sites operated by the Group, the environmental data provided by Operational Managers is checked by Site Managers, then audited by clients.

The process follows a defined schedule, sent each year to all contributors.

In producing this report, data from 28 companies was consolidated. The table below identifies the extent of the consolidation scope each year.

The 2020 scope is identical to the 2019 scope and includes the new companies created as a result of CNIM Groupe’s legal restructuring.

	2012	2013	2014	2015	2016	2017	2018	2019	2020
BERTIN IT					o	o	o	o	o
BERTIN GmbH						o	o	o	o
Bertin Technologies	o	o	o	o	o	o	o	o	o
CNIM Activ Emploi								o	o
CNIM Airspace								o	o
CNIM AZERBAIJAN				o	o	o	o	o	o
CNIM Babcock Maroc				o	o	o	o	o	o
CNIM Centre France		o	o	o	o	o	o	o	o
CNIM China			o	o	o	o	o	o	o
CNIM E&E EPC									o
CNIM E&E O&M									o
CNIM E&E Services									o
CNIM Groupe	o	o	o	o	o	o	o	o	o
CNIM Insertion			o	o	o	o	o	o	o
CNIM Martin Pvt. Ltd.							o	o	o
CNIM Mutual Services									o
CNIM Ouest Armor	o	o	o	o	o	o	o	o	o
CNIM Paris Batignolles								o	o
CNIM Singapore			o	o	o	o	o	o	o
CNIM Systèmes Industriels									o
CNIM Terre Atlantique				o	o	o	o	o	o
CNIM Thiverval Grignon	o	o	o	o	o	o	o	o	o
LAB GmbH								o	o
LAB	o	o	o	o	o	o	o	o	o
LAB WASHINGTON*					o	o	o	o	o
MES Environmental Ltd		o	o	o	o	o	o	o	o
SUNCNIM					o	o	o	o	o
Winlight								o	o

**The indicators presented in this report cover all companies other than LAB Washington, for which only the environmental scope is taken into account, since the other data is insignificant.*

Entities selected for reporting consolidate the performance and impact of the industrial facilities where they are responsible for operational technical control, including facilities operated on behalf of third parties. These companies account for 96% of the Group's consolidated revenues and cover more than 94% of its headcount over 38 sites.

Certain Group companies are not consolidated, for the following reasons:

- They have fewer than 20 employees;
- A strategic review is ongoing concerning the potential disposal of certain subsidiaries;
- The non-financial considerations are not material.

In environmental terms, the scope covers all waste sorting, treatment and recovery center operating business throughout the world.

4.5.2 Note on methodology

This report contains information based on the Global Reporting Index (GRI) sustainability reporting guidelines. This information is identified using references to the GRI standards (GRI xxx).

With regard to the employment data published in this report, the following facts should be noted:

- Headcount: headcount includes employees with an employment contract with the Group during the year to which the report relates, irrespective of the type of contract (permanent, fixed-term or training). Interns, apprentices and temporary employees are not taken into account.

- Health and safety: the frequency and severity of accidents that required an employee to take time off work are taken into account.
- Training: all categories of training are taken into account; this may include training on regulations or on adapting workstations or training that seeks to develop employees' skills.

With regard to the environmental data published in this report, the following facts should be noted:

- The CNIM Group is concerned about what happens to the waste material produced by its activities and can provide indicators about the recovery of its waste. To this end, it relies on the definitions of 'waste' and 'recovery' established by the local regulations.
- CO2 emissions were calculated based on the V8.1 spreadsheet program of the Association Bilan Carbone (French Carbon Accounting Association), with emission factors from the Carbon Database. In the light of the work of the "Electricity" working group over the period 2017-2018, a major update was implemented, to more accurately reflect the impact of import/export flows and to update the European average CO2 content. The method now uses net hourly import and export data, and the European CO2 content defined by the International Energy Agency (IEA);
- Given that the Group subcontracts all inbound and outbound transportation and that haulers and freight forwarders do not publish figures for the CO2 emissions generated by these services, the CNIM Group does not possess sufficient data to disclose “Other indirect greenhouse gas emissions” (scope 3). The only items described in detail in scope 3 are final waste from waste-to-energy and waste treatment plants and energy emissions that are not included in items 1 to 7 (emissions from the entire final energy production chain, recorded for any use of fuel, electricity or steam).
- The emission factor applied for waste sorting and waste-to-energy plants is 326 kg. eq. CO2 eq./tonne for the incineration of household waste (excluding transport, which is outside the scope) and 128 kg CO2/tonne for landfill disposal of final waste.
- Acetylene gas is used by many Group companies and subsidiaries. It was not referenced in the Carbon Database, and was added to the carbon account as follows: density 1.1 kg/m3, emission factor 3.38 kg.CO2/kg (based on stoichiometric ratios).
- Calculation of uncertainty: as most emissions are due to the incineration of household waste, all these emissions depend directly on the household waste incineration emission factor. These values are not independent, as in previous years the uncertainties were added together.
- The activities of the waste treatment plants operated by CNIM enable energy to be produced (electricity and heat) and materials to be recycled (sorting centers). These activities lead to the avoidance of emissions.
- When calculating its direct greenhouse gas emissions, the CNIM Group includes the CO2 from the vehicles owned, leased or hired by the Group and used within the context of its industrial and business activities.

4.5.3 Cross-reference tables

	2020 Universal Registration Document (URD)	Sections	Pages
Declaration of non-financial performance		4	95-131
	Business Model	1.3	12
	Principal risks and opportunities	2.7	52-60
	Policies, action plans, performance indicators and results	4.3	96-122
Other matters covered by Article L.225-102-1			
	Action taken to combat discrimination, to promote diversity and measures taken in favor of people with disabilities	4.3.1	96-97
	Anti-corruption measures	4.3.7	118-121
	Consequences of the business activity and the use of goods and services on climate change	4.3.4/4.3.5/4.3.6 4.4.5	109-111/111-113/113-118/124
	Social commitments to sustainable development and the circular economy	4.4.1	122-123
	Social commitments to combat food waste and insecurity	4.4.4	124
	Social commitments to promote sustainable, fair trade and responsibly produced food, and animal welfare	4.4.4	124
	Collective bargaining agreements and their impact on economic performance and on employees' working conditions	4.4.2	123
	Respect for human rights	4.4.3	123-124
	Measures taken to combat tax evasion	4.4.6	124-125

4.6 Opinion of the independent third party

To ensure that submitted information is transparent and reliable, RSE France, a subsidiary of the Apave group, was appointed to verify the Group's labor-related, environmental and social information, as required under French law (by Decree 2017-1265 of August 9, 2017 implementing order 2017-1180 relating to the publication of non-financial information).

Votre engagement a de la valeur

RSE France

opave

cofrac INSPECTION

Accréditation n°3-1051
Portée disponible sur www.cofrac.fr

Avis motivé de conformité et de sincérité de la déclaration de performance extra-financière

Réf : 21001

Aux actionnaires

À la suite de la demande qui nous a été faite par la société CNIM, nous vous présentons notre rapport sur la déclaration consolidée de performance extra-financière relative à l'exercice clos le 31 décembre 2020 (ci-après la « Déclaration »), présentée dans le rapport de gestion du groupe en application des dispositions légales et réglementaires des articles L. 225-102-1, R. 225-105 et R. 225-105-1 du code de commerce. RSE France a la qualité d'Organisme Tiers Indépendant (OTI) accrédité par le Cofrac sous le n°3-1051 (portée disponible sur www.cofrac.fr).

Responsabilité de la Société

Il appartient au Conseil d'administration d'établir une Déclaration conforme aux dispositions légales et réglementaires, incluant une présentation du modèle d'affaires, une description des principaux risques extra-financiers, une présentation des politiques appliquées au regard de ces risques ainsi que les résultats de ces politiques, incluant des indicateurs clés de performance.

Indépendance et système de management de la qualité

Notre indépendance est définie par les textes réglementaires, notre code de déontologie ainsi que les dispositions prévues dans la norme ISO 17020. Par ailleurs, nous avons mis en place un système de management de la qualité qui comprend des politiques et des procédures documentées visant à assurer la conformité avec les règles déontologiques, les textes légaux et réglementaires applicables et la norme ISO17020.

Responsabilité de l'Organisme Tiers Indépendant

Il nous appartient, sur la base de nos travaux, de formuler un avis motivé exprimant une conclusion d'assurance modérée sur :

- la conformité de la Déclaration aux dispositions prévues à l'article R. 225-105 du code de commerce ;
- la sincérité des informations fournies en application du 3° du I et du II de l'article R. 225-105 du code de commerce, à savoir les plans actions, les résultats des politiques incluant les indicateurs clés de performance relatifs aux principaux risques, ci-après les « Informations ».

Il ne nous appartient pas en revanche de nous prononcer sur :

- le respect par la société des autres dispositions légales applicables le cas échéant, [en particulier celles prévues par la loi n° 2016-1691 du 9 décembre 2016 dite Sapin 2 (lutte contre la corruption)] ;
- la conformité des produits et services aux réglementations applicables

Nature et étendue des travaux

Nos travaux décrits ci-après ont été effectués conformément à l'arrêté du 14 septembre 2018 déterminant les modalités dans lesquelles l'organisme tiers indépendant conduit sa mission.

Nous avons mené des travaux nous permettant d'apprécier la conformité de la Déclaration aux dispositions légales et réglementaires et la sincérité des Informations :

Votre engagement a de la valeur

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apave

Avis motivé de conformité et de sincérité de la déclaration de performance extra-financière

- Nous avons pris connaissance de l'activité de l'ensemble des entités incluses dans le périmètre de consolidation, de l'exposé des principaux risques sociaux et environnementaux liés à cette activité, et de ses effets quant au respect des droits de l'homme et à la lutte contre la corruption ainsi que des politiques qui en découlent et de leurs résultats ;
- Nous avons apprécié le caractère approprié du Référentiel au regard de sa pertinence, son exhaustivité, sa fiabilité, sa neutralité et son caractère compréhensible ;
- Nous avons vérifié que la Déclaration couvre chaque catégorie d'information prévue au III de l'article L. 225-102-1 en matière sociale et environnementale ainsi que de respect des droits de l'homme et de lutte contre la corruption ;
- Nous avons vérifié que la Déclaration présente, le modèle d'affaires et les principaux risques liés à l'activité de l'ensemble des entités, y compris, lorsque cela s'avère pertinent et proportionné, les risques créés par ses relations d'affaires, ses produits ou ses services, au regard des informations prévues au I de l'article R. 225-105, ainsi que les politiques, les actions et les résultats, incluant les indicateurs clés de performance ;
- Nous avons vérifié, lorsqu'elles sont pertinentes au regard des principaux risques ou des politiques présentés, que la Déclaration présente les informations prévues au II de l'article R. 225-105 ;
- Nous avons apprécié le processus d'identification, de hiérarchisation et de validation des principaux risques ;
- Nous avons vérifié que la Déclaration couvre le périmètre consolidé, à savoir l'ensemble des entités incluses dans le périmètre de consolidation conformément à l'article L. 233-16. Le périmètre comprend les installations industrielles dont CNIM détient le contrôle technique opérationnel, y compris les installations opérées pour compte de tiers. Certaines sociétés n'ont pas été intégrées du fait d'un effectif inférieur à 20 personnes ou d'un impact environnemental faible. Le périmètre pris en compte représente 96% du chiffres d'affaires du Groupe et 94% des effectifs.
- Nous avons apprécié le processus de collecte mis en place par l'entité visant à l'exhaustivité et à la sincérité des résultats des politiques et des indicateurs clés de performance devant être mentionnés dans la Déclaration ;
- Nous avons mis en œuvre sur les indicateurs clés de performance liés aux risques principaux (attirer et conserver les talents, santé et sécurité, consommation d'énergie et efficacité énergétique, valorisation de déchets, formation et compétences, prévention et réduction des rejets atmosphériques, éthique et lutte contre la corruption), et sur une sélection d'autres résultats que nous avons considérés les plus importants (effectifs, émissions de gaz à effet de serre) :
  - des procédures analytiques consistant à vérifier la correcte consolidation des données collectées ainsi que la cohérence de leurs évolutions ;
  - des tests de détail sur la base d'échantillonnages, consistant à vérifier la correcte application des définitions et procédures et à rapprocher les données des pièces justificatives. Ces travaux ont été menés auprès d'une sélection d'entités contributrices (Seyne-sur-Mer, LAB) et couvrent entre 94% et 100% des données consolidées des indicateurs et résultats sélectionnés pour ces tests ;
- Nous avons consulté les sources documentaires et mené des entretiens pour corroborer les informations qualitatives (organisation, politiques, actions, résultats) liées aux principaux risques;
- Nous avons apprécié la cohérence d'ensemble de la Déclaration par rapport à notre connaissance de la société.

Nous estimons que les méthodes d'échantillonnage que nous avons retenues en exerçant notre jugement professionnel nous permettent de formuler une conclusion d'assurance modérée ; une assurance de niveau supérieur aurait nécessité des travaux de vérification plus étendus.

Du fait du recours à l'utilisation de techniques d'échantillonnage ainsi que des autres limites inhérentes au fonctionnement de tout système d'information et de contrôle interne, le risque de non-détection d'une anomalie significative dans la Déclaration ne peut être totalement éliminé.

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RSE France

apave

Avis motivé de conformité et de sincérité de la déclaration de performance extra-financière

Moyens et ressources

Nous avons mené onze entretiens avec les personnes responsables de la préparation de la Déclaration, représentant notamment les directions générales, administration et finances, gestion des risques, conformité, ressources humaines, santé et sécurité, formation, environnement, exploitation, RSE et achats. La mission a été effectuée entre janvier et mars 2021 et a mobilisé sept jours/hommes. Nous estimons que nos travaux fournissent une base suffisante à la conclusion exprimée ci-après.

Conclusion

Sur la base de nos travaux, nous n'avons pas relevé d'anomalie significative de nature à remettre en cause le fait que la Déclaration est conforme aux dispositions réglementaires applicables et que les Informations, prises dans leur ensemble, sont présentées de manière sincère.

Commentaires

Au regard des Lignes directrices sur l'information non financière (méthodologie pour la communication d'informations non financières) de la Commission européenne et des préconisations du guide Afnor FD X30-024, nous formulons les commentaires suivants :

- Modèle d'affaires : La section 1 du Document d'Enregistrement Universel est quasiment toute entière consacrée à la présentation du modèle d'affaires et présente un ensemble d'informations et d'infographies utiles à sa compréhension.
- Principaux risques extra-financiers : Une cartographie détaillée des parties prenantes a été établie mais le processus d'identification des risques principaux ne prévoit pas, à ce stade, une interrogation formelle de ces parties prenantes. Les principaux risques extra-financiers sont intégrés dans une approche de maîtrise globale des risques financiers et extra-financiers.
- Résultat des politiques, incluant des indicateurs de performance : Les objectifs fixés et les indicateurs de performance retenus traduisent une dynamique d'amélioration. Un rappel des Objectifs de Développement Durable potentiellement impactés est indiqué.

Paris, le 4 mars 2021

Gérard SCHOUN

5 CORPORATE GOVERNANCE

5.1 Report on Corporate Governance drawn up by the Board of Directors

On July 31, 2020, the CNIM Groupe shareholders decided to change their governance model from a dual structure with a Management Board and a Supervisory Board to a single structure with a Board of Directors.

This change reflects CNIM Group's intention to simplify and clarify its decision-making process and to tailor its governance structure to the challenging environment in which it is currently operating.

In accordance with the provisions of Article L. 225-37 of the French Commercial Code (*Code de commerce*), we present to you in this report on corporate governance the information referred to in Articles L. 225-37-4, L. 22-10-8, L. 22-10-9, L. 22-10-10 and L. 22-10-11 of said Code. This report was drawn up and approved by the Board of Directors in its meeting of April 30, 2021, after consulting the Audit Committee on the same date.

5.1.1 Corporate Governance

5.1.1.1 The Management Board (until July 31, 2020)

The Management Board is composed of Messrs. Nicolas Dmitrieff (Chairman), Philippe Demigné (member until July 9, 2020), Stanislas Ancel (member until July 31, 2020), Christophe Favrelle (member until July 31, 2020) and Louis-Roch Burgard (member who held the position of Chief Executive Officer from May 26, 2020 until July 31, 2020). The term of office of the members of the Management Board was four years.

In July 2017, the Executive Committee created in March 2016 was enlarged and renamed the "Group Managers' Committee". It was composed of Management Board members, of Ms. Virginie Munch (Human Resources and Communication Manager), several Company and Group managers (Messrs. Claude Boutin, Deputy CEO of CNIM Environment & Energy EPC, Christophe Hamon, Director of Information Systems and Philippe Lazare, Deputy Chief Executive of the Industrial Systems Division), Jean Roch and Bruno Vallayer, Deputy Chief Executives of Bertin Technologies and François Darpas, Deputy Chief Executive of CNIM Environment & Energy Services. Mr. Frédérick Favre (Group Director of Legal, Compliance, Risks, Insurance and CSR) became a member of this Committee when he joined the Group in January 2019. Subject to the strategy and general policy defined by the Management Board, the Group Managers' Committee is responsible for steering the various activities contributing to the Company's object and the Group's organization.

These bodies were dissolved on July 31, 2020 as a result of the adoption by the General Meeting of Shareholders of a governance structure with a Board of Directors.

5.1.1.2 The Supervisory Board (until July 31, 2020)

The Company's Supervisory Board was composed of the following twelve (12) members, two (2) of whom were independent members.

Surname, first name, title or position of members of the Supervisory Board	First year of appointment	Term of office expires (AGM approving financial statements for year)	Independent member	Committee
Christiane Dmitrieff	2002	2021	No	Audit and Strategy
François Canellas	2006	2019	No	Audit and Strategy
Lucile Dmitrieff	2009	2021	No	Audit and Strategy
Sophie Dmitrieff	2015	2022	No	Audit and Strategy
Sigrid Duhamel	2016	2019	Yes	Audit and Strategy
Frel S.A., represented by Agnès Herlicq	2002	2020	No	Audit
André Herlicq	2002	2021	No	Strategy
Stéphane Herlicq	2009	2021	No	Strategy
Louis-Roch Burgard	2016	2019	Yes	Audit and Strategy
Johannes Martin	2009	2019	No	Strategy

Surname, first name, title or position of members of the Supervisory Board	First year of appointment	Term of office expires (AGM approving financial statements for year)	Independent member	Committee
Martin GmbH represented by Ulrich Martin	2004	2021	No	-
Alain Sonnette	2015	2022	No	-

The Supervisory Board had set up two Committees to assist it with certain specific tasks:

- the Audit Committee composed of the following seven members: Mr. François Canellas, Ms. Christiane Dmitrieff, Ms. Sophie Dmitrieff, Ms. Lucile Dmitrieff, Ms. Sigrid Duhamel, Mr. Louis-Roch Burgard and Frel represented by Ms. Agnès Herlicq, two of whom were independent members.

- the Strategy Committee composed of the following nine members: Mr. Louis-Roch Burgard, Ms. Christiane Dmitrieff, Mr. François Canellas, Ms. Sophie Dmitrieff, Ms. Lucile Dmitrieff, Ms. Sigrid Duhamel, Mr. André Herlicq, Mr. Stéphane Herlicq and Mr. Johannes Martin, two of whom were independent members.

Each Committee had a role involving the review, analysis and preparation of the matters within its competence for consideration by the Supervisory Board. They had no decision-making powers.

These bodies were dissolved on July 31, 2020 as a result of the adoption by the General Meeting of Shareholders of a governance structure with a Board of Directors.

5.1.1.3 The Board of Directors (as from July 31, 2020)

A. Composition of the Board of Directors

The Company's Board of Directors is composed of the following twelve members, three of whom are independent members.

Surname and first name of members of the Board of Directors	Term of office expires (AGM approving financial statements for year)	Independent member	Committee
Nicolas Dmitrieff, Chairman of the Board of Directors	2023	No	Strategy and Remuneration
Christiane Dmitrieff, Vice-Chairman of the Board of Directors	2023	No	-
Louis-Roch Burgard, Director and Chief Executive Officer	2023	No	-
Sophie Dmitrieff, Director	2023	No	-
Frel represented by Agnès Herlicq, Director	2023	No	Audit
Ulrich Martin, Director	2023	No	Strategy
Sigrid Dumahel, Director	2023	Yes	Audit
Estelle Grelier, Director	2023	Yes	Strategy and Remuneration
Xavier Girre, Director	2023	Yes	Strategy, Audit and Remuneration
Alain Sonette, employee shareholders representative and Director	2025	N/A	N/A
François Dantzer, employee representative and Director	2023	N/A	N/A

Surname and first name of members of the Board of Directors	Term of office expires (AGM approving financial statements for year)	Independent member	Committee
Caroline Castets, employee representative and Director	2023	N/A	N/A

In addition to the aforementioned members, the following four representatives of the Social and Economic Committee (CSE) take part in Board of Directors' meeting in an advisory capacity:

Surname and first name	Position
Jean Pierre Polidori	CSE representative (1st board)
Nicolas Morin	CSE representative (3rd board)
Claude Torres	CSE representative (2nd board)
Marc Boukharda	CSE representative (1st board)

B. Choice of corporate governance code

Since it was set up, the Board of Directors has adhered, in relation to corporate governance, to the MiddleNext corporate governance code for small and mid-caps in its entirety (recommendations R1 to R19), with all of the recommendations contained in said code being followed. With regard to recommendation R3, the Board of Directors took formal note of the fact that Ms. Sigrid Duhamel has a close connection with the Chairman of the Board of Directors. Having noted that this closeness would not impair her analytical and decision-making ability and moreover, considering the undertaking given by Ms. Sigrid Duhamel to act in an independent manner, the Board of Directors decided to consider her as an independent Board member.

As a complement to the legal and regulatory provisions and the Company's bylaws, the Board of Directors has set out bylaws for itself that are intended to specify the details of its operation. For the purposes of drawing up these bylaws, it has adhered to the MiddleNext corporate governance code. These bylaws are available on the Company's website (www.cnim.com).

The MiddleNext corporate governance code is available from the following internet address: www.middlenext.com/IMG/pdf/2016_CodeMiddlenext-PDF_Version_Finale.pdf

This Report on corporate governance has been drawn up on the basis of the MiddleNext corporate governance code, order 2017-1162 of July 12, 2017, order 2019-1234 of November 29, 2019, order 2020-1142 of September 16, 2020 and the respective implementing decrees.

C. Application of the principle of balanced representation of men and women

In a context in which the Company appears to comply with the principle of diversity of Board of Directors' members, in terms of age (average age of 54 and a half, 16.6% of members are under 40 or over 60 and 66.6% of members are between 40 and 60), gender (50% of Board members are women) and professional experience (Board members have held positions at several levels within companies operating in a number of different business sectors), it has not been deemed necessary to formalize a specific diversity policy for the Board of Directors

However, with a view to continually improving the Company's governance, the Board will consider the formalization of this policy during 2021.

With regard to the principle of balanced representation of men and women on the Board of Directors, the question of the appointment of equally qualified women is raised each time a Board member is appointed. The proportion of women on the Company's Board of Directors is currently 50%.

D. Independent Board Members

As a reminder, in accordance with the provisions of the Board of Directors' bylaws, which was drawn up with reference to the MiddleNext corporate governance code, independence is characterized notably by the absence of significant financial, contractual, family or close ties likely to impinge upon the independence of the judgement of the director in question.

When demonstrating independence, the following criteria will be considered:

- not being an employee or executive corporate officer of the Company or of any company in its Group and not having been so in the last five years;

- the absence of significant financial, contractual, close or family ties that may impinge upon independence of judgement;
- not being in a material business relationship with the Company or its Group (client, supplier, competitor, service provider, creditor, banker etc.) and not having been so in the previous two years;
- not being one of the Company's main shareholders or holding a significant percentage of the voting rights;
- not having close connections, whether as an associate or family member, with one of the Company's corporate officers or main shareholders;
- not having been the Company's statutory auditor in the previous six years.

The Board of Directors may, provided it explains its position, consider one of its members to be independent even if he or she does not meet all these criteria or, conversely, that one of its members who does meet all of the criteria is not independent.

Bearing in mind the foregoing, there are three independent members of the Board of Directors: Ms. Sigrid Duhamel, Ms. Estelle Grelier and Mr. Xavier Girre.

As stated above, in the case of Ms. Sigrid Duhamel, who meets the independence criteria but have a close connection with the Chairman of the Board of Directors, in view of the fact that this closeness would not impair her analytical and decision-making ability and, moreover, that Ms. Sigrid Duhamel has given an undertaking to act in an independent manner, the Board decided to consider her as an independent Board member. Indeed, Ms. Duhamel reminded the Board that her close connection had not hindered her freedom of judgement and that she would, if necessary, resist or withdraw from any situation that might hinder her freedom of judgement. In addition, her independence is reinforced by objective evidence such as her qualifications, the extent of her managerial experience and the size and status of the companies that she manages or has managed, all of which, in addition to her reputation, prevents her from being suspected of dependency.

E. Term of office

The term of office of members of the Board of Directors is four years, in accordance with the provisions of the Company’s bylaws.

F. Ethical rules

Each Board member must consider him or herself as the representative of all shareholders and behave as such in the performance of his or her duties.

When taking up office, each Board member must familiarize him/herself with the obligations attached to said office, and in particular the obligations arising from the applicable legal rules on multiple directorships, before accepting his/her office, and sign a copy of these bylaws for acceptance of their terms.

In carrying out his or her duties, each Board member must behave in an exemplary manner, showing a consistency between words and actions that creates credibility and trust.

Each Board member undertakes to inform the Board of Directors of any conflict of interest, whether current, potential or future, that he or she is experiencing or could experience, and to refrain from voting on the corresponding resolution.

Each Board member must refrain from accepting a corporate office in a company that competes with the Company or one of its subsidiaries.

Each Board member must be diligent and participate in Board meetings and in the meetings of the Committees on which he or she sits.

He or she must obtain all the necessary information on the matters that will be discussed during the meetings.

All Board members are required to attend General Meetings of Shareholders.

Board members have a formal duty of professional secrecy as regards the Board's discussions and, more broadly, as regards all non-public information communicated to them in the course of their duties about the Company, its activities, its results and its Group, which they must keep confidential.

G. Selection of members of the Board of Directors

The Board of Directors has at least three and at most eighteen members, except where permitted otherwise by law. At least two of its members must be independent in accordance with the criteria set out in the Middlenext Code.

Members of the Board of Directors (hereinafter, "Board members") are appointed for a four-year term of office. The duties of Board members end at the close of the Ordinary General Shareholders' Meeting called to approve the financial statements for the previous financial year, held in the year in which the term of office of the Board members in question expires.

The Board of Directors ensures that both it and its Committees are balanced and takes the necessary measures to guarantee shareholders and the market that its duties are performed with the necessary independence and objectivity.

The Board of Directors must, when nominating a candidate for the position of Board member, indicate to the General Meeting whether the candidate would be an independent Board member.

H. Responsibilities of the Board of Directors

Executive management of the Company

In accordance with the applicable legal provisions, the Company's executive management is the responsibility of an individual appointed by the Board of Directors on July 31, 2020 as Chief Executive Officer (see section 5.1.1.4.D).

Prior authorizations

In addition to the powers conferred on it by law and the Company's bylaws, the Board of Directors reviews the following transactions, which can only be carried out with its prior agreement:

- The issue of securities, of whatsoever kind, liable to result in a change to the share capital;
- Material transactions liable to affect the strategy of the Company and its group or to change its financial structure or its sphere of activity, the Chief Executive Officer being responsible for assessing said transactions' materiality;
- Transactions exceeding an amount set each year by the Board of Directors regarding:
    - Any investment decisions recognized under non-current assets on the balance sheet;
    - Any decisions relating to the filing of a binding bid in connection with the Group's development plans with regard to calls for tender and related investments;
    - Any barter or part-exchange transactions relating to goods, stocks or securities;
    - Involvement in the establishment of any company or subscription to any issue of shares, stocks or bonds, excluding treasury transactions;
    - The granting or receipt of any loans, borrowings, credit or advances.

The Board of Directors may authorize collectively and annually, for an unlimited amount, sureties, endorsements and guarantees to secure commitments made by controlled companies within the meaning of Article L. 233-16 (II) of the French Commercial Code. In this context, the Board of Directors has authorized its Chief Executive Officer to give, for one year as from July 30, 2020, collectively and up to a set amount, sureties, endorsements and guarantees to secure commitments made by controlled companies within the meaning of the same point II, provided that the latter reports thereon to the Board at least once a year.

Conflicts of interests

Each year, the Board of Directors also reviews known conflicts of interest in the course of its annual review of related-party agreements provided for in Articles L. 225-38 and L. 225-40-1 of the French Commercial Code and/or its annual assessment of the operation and work of the Board of Directors, in order to assess what steps need to be taken.

I. Assessment of the work and functioning of the Board

Once a year, the Chairman of the Board of Directors invites members to express their views on:

- The operation of the Board of Directors and of its Committees;

- The preparation of the Board of Directors' work;

- The holding of multiple directorships and any conflicts of interest.

The Chairman of the Board of Directors also invites Board members to have a say once a year on the issue of the succession of current senior managers and on the steps to be taken should it not be possible for them to carry out their duties, in whole or in part.

J. Appointment of committees

a. Audit and Risk Committee ("Audit Committee")

At its meeting of July 31, 2020, the Board of Directors set up an Audit and Risk Committee (hereinafter the "Audit Committee") for CNIM Groupe (hereinafter "the Company" and, together with its direct and indirect subsidiaries, the "CNIM Group").

The Audit Committee operates under the auspices of the Board of Directors.

The Audit Committee has its own bylaws, which were adopted at the Board of Directors' meeting of July 31, 2020 and which are intended to set out the terms of reference of the Audit Committee and specify its operating procedures, in addition to the provisions of CNIM Groupe's bylaws and of the Board of Directors' bylaws. The Audit Committee's bylaws are available on the Group's website at the following address: CNIM GROUPE - RI du Comité d'audit - Def.pdf

Composition of the Audit Committee

The Audit Committee is currently composed of three members: Mr. Xavier Girre, who is the chairman, Ms. Sigrid Duhamel and Frel SA, whose permanent representative is Ms. Agnès Herlicq. All three are members of the Board of Directors. Two of them meet the definition of independent directors.

Responsibilities of the Audit Committee

The Audit Committee helps the Board of Directors analyze the financial statements and financial information, the major risk management policy and internal control.

Notwithstanding the powers of the Board of Directors, the Audit Committee has the following specific responsibilities:

- It conducts a preliminary review of the accounting and financial documents to be submitted to the Board of Directors, including in particular the annual and half-yearly parent company and consolidated financial statements, the forecasts and budgets, the multi-year plans and the management report and its appendices;
- It monitors the financial information preparation process and reviews the quality and reliability of the financial information;
- It reviews the Group's financial communications policy and output;
- It ensures the relevance and consistency of the accounting methods and principles, as well as the closing options adopted for the interim and annual financial statements;
- It reviews the nature and scope of significant off-balance sheet commitments;
- It monitors cash forecasts;
- It examines the internal control and risk management systems:
    - It ensures that such systems exist, that they are implemented and that corrective action is taken in the event of significant weaknesses or shortcomings. To this end:
        - It hears from the heads of internal audit and risk control and gives an opinion on the organization of their work;
        - It is informed of the internal audit program and the findings of the internal audit assignments carried out.
    - It examines the overall risk management policy on the basis of a risk map the design, development and implementation of which it reviews. In this context, it examines the main risks likely to have an accounting and financial impact and, where applicable, the statement of corresponding provisions. It assesses the significance of any malfunctions or weaknesses communicated to it and, where necessary, informs the Company's Board of Directors;
- It makes a recommendation regarding the Statutory Auditors that the General Meeting of Shareholders is asked to appoint or reappoint and regarding their remuneration;
- It monitors the Statutory Auditors' performance of their duties. It jointly reviews with the Statutory Auditors their work plans, findings and recommendations, as well as the follow-up thereto;
- It ensures that the Statutory Auditors comply with statutory independence criteria;
- It approves the provision of the services referred to in Article L. 822-11-2 of the French Commercial Code;
- It reviews the Group's policy with regard to insurance;
- It keeps abreast of the implementation of procedures pertaining to ethics and competition and ensures there is a system to control their application, in particular with regard to the prevention of corruption; and
- It issues an opinion on the performance of any agreement entered into, where applicable between the Company and one of its executive or non-executive corporate officers.

If it deems it necessary for the performance of its responsibilities, the Audit Committee may ask the Board of Directors to provide it with the necessary resources to obtain outside assistance or technical studies on the matters falling within its remit. In such cases it must ensure the objectivity of the advice in question.

Audit committee's activities in 2020

During the 2020 financial year, the Audit Committee met seven times (compared with four times in 2019), on the following dates: March 19, 2020, June 25, 2020, July 31, 2020, October 5, 2020, October 29, 2020, November 27, 2020 and December 18, 2020.

The average attendance rate was 90.3% (compared with 92.9% in 2019).

The Statutory Auditors attended each meeting.

In 2020, the Audit Committee's work focused on the following topics:

- Review of the annual and consolidated financial statements for the 2019 financial year;
- Hearing the Statutory Auditors' findings on their audit of the annual and consolidated financial statements for the year ended December 31, 2019, including the additional report required by Article L. 823-16 of the French Commercial Code;
- Review of the summary consolidated financial statements for the first half of 2020;
- Hearing the Statutory Auditors' findings on their limited review of the summary consolidated financial statements for the first half of 2020;
- Review of the Group's results as of September 30, 2020;
- Monitoring of significant disputes and litigation;
- Operational and financial performance of the E&E EPC contracts in progress;
- Changes in the cash position and short/medium term liquidity;
- Review of the draft 2020-2021 budget;
- Analysis of the Group multi-year (2020 to 2024) business plan;
- Analysis of the Group's exposure to the COVID-19 health crisis and the measures taken to manage it;
- Progress with regard to the Group's internal control and internal audit, in the presence of the CNIM Group Head of Internal Control and Internal Audit;
- The Statutory Auditors' audit strategy;
- Preliminary review of the findings of the work carried out jointly by the Statutory Auditors and Group Internal Audit on internal control;
- Review of the Group risk map, in the presence of the Group Risk and Insurance manager;
- Review of the Group's anti-corruption compliance system, in the presence of the CNIM Group Compliance and CSR Officer;
- Analysis of the provisional 2020 Statutory Auditors' fees (CNIM Groupe and subsidiaries) and monitoring of the Statutory Auditors' independence;
- Review of financial communication, in particular that related to the annual and half-yearly financial statements.

b. Strategy and Commitments Committee

At its meeting of July 31, 2020, the Board of Directors set up a Strategy and Commitments Committee (hereinafter, the "Strategy Committee"). It is tasked with assisting the Board of Directors in defining the Group's major strategic priorities. It provides opinions and recommendations on:

- Evaluations of the Group's strategic priorities, information on market trends, assessments of research, competition analysis and the resulting medium- and long-term outlooks;
- Analyses of proposed acquisitions or disposals of subsidiaries and holdings or other assets, up to an amount set annually;
- Analyses of the Group's development plans in terms of calls for tender up to an amount set annually on the basis of the Group's Divisions;
- Analyses of plans to acquire or set up operations in a country in which the Group does not operate and/or that represent a particular risk.

Lastly, the Strategy Committee reviews the Group's corporate social responsibility ("CSR") strategy, monitors its results annually and provides opinions or recommendations to the Board of Directors.

Its current members are Mr. Nicolas Dmitrieff, its Chairman, Ms. Estelle Grelier and Messrs Ulrich Martin and Xavier Girre. The Strategy Committee met five times during the 2020 financial year.

Following the change in the Group's governance on July 31, 2020, it was necessary to strengthen the control of the Group's commitments by instituting a new process for the analysis and approval of future Group projects.

New governance principles and bodies were therefore defined and implemented in the second half of 2020, in particular the CNIM Group Commitment Committee, whose main task is to analyze and approve future Group projects. This committee is the corollary of the Strategy and Commitments Committee and is a key stage in the process of controlling the risks associated with our projects. Several levels of governance have also been created with the aim of approving the Group's commitments on the basis of their nature and/or the amount of the commitment.

c. Remuneration Committee

At its meeting of July 31, 2020, the Board of Directors set up a Remuneration Committee. This Committee is tasked with assisting the Board of Directors in defining the remuneration policies adopted by Group companies in the management of senior executives and corporate officers and the application of these policies with regard to the Group's medium and long-term strategy.

Its current members are Ms. Estelle Grelier, its Chairman, and Messrs Nicolas Dmitrieff and Xavier Girre. The Remuneration Committee met once during the 2020 financial year.

5.1.1.4 The Chief Executive Officer and the Executive Committee

A. The Chief Executive Officer

CNIM's Chief Executive Officer is Mr. Louis-Roch Burgard as a result of the decisions of the Supervisory Board and Board of Directors of May 26, 2020 and July 31, 2020 respectively.

Mr. Louis-Roch Burgard was appointed for the duration of his term of office as director, i.e. a term of four years expiring at the end of the General Meeting called to approve the financial statements for the year ending December 31, 2023.

In accordance with CNIM's bylaws, Mr. Louis-Roch Burgard represents the Company in its relations with third parties. He has the most extensive powers to act in all circumstances on behalf of CNIM. It exercises these powers within the limits of the Company's objects and subject to the powers expressly attributed by law to the shareholders' meetings and the Board of Directors.

In addition, the Board of Directors, within the limit of an amount that it has set for one year, has delegated its powers to the Chief Executive Officer to authorize the following operations:

- Capital expenditure, involvement in the establishment of any company, any barter or part-exchange transactions relating to goods, stock or securities, subscription to any issue of shares, stocks or bonds, constitution of securities, and granting or receipt of any loans, borrowings, credit or advances;
- Binding offers in the context of the Group's development projects with regard to calls for tender and related investments;
- Sureties, endorsements and guarantees.

B. The Executive Committee

CNIM's operations are managed by an Executive Committee.

The Executive Committee is composed of the following persons:

- The Chief Executive Officer
- The following directors of the Group's business divisions: Messrs Bernard Joly (Environment - O&M), Philippe Lazare (Industrial Systems), Guillaume Turc (Environment - EPC and Services), Bruno Vallayer (Bertin Technologies and subsidiaries) and Richard Budin (LAB, since April 2021),
- The directors of the Group's functional departments, i.e.: Ms. Virginie Munch (Human Resources and Communication), Mr. Frédérick Favre (Legal, Compliance, Risks & Insurance and CSR) and Mr. Régis Rivière (Finance).

In their respective roles, Executive Committee members are driven by the following values: autonomy and responsibility, transparency towards their colleagues and the Chief Executive Officer, and team spirit and solidarity within the Executive Committee and their respective teams.

Each week, the Executive Committee meets to share news and significant events relating to its members' areas of responsibility, and to be involved in the Group's day-to-day management decisions. Its members ensure that relevant information is efficiently disseminated within their organization.

Once a month, the Executive Committee meets for the day to decide on the Group's main priorities, to establish the corresponding action plans, and to realign the strategy according to the events and current affairs in respect of all its stakeholders.

5.1.1.5 How the work of the Board of Directors is prepared and organized

The functioning of the Board of Directors is governed by the provisions of its bylaws.

The Board of Directors meets at least once a month, convened by its Chairman or Vice-Chairman. The Chairman or the Vice-Chairman of the Board of Directors provides all Board members with all the documents and information needed to perform their duties. These documents and this information may be sent by any means but must reach members no later than 72 hours before the Board meeting.

During the 2020 financial year, the Board of Directors met six times, on July 31, September 25, October 29, November 13, November 27 and December 18. 15 members of the Board of Directors had 100% attendance rates and one had an attendance rate of 50%.

During these meetings, the following matters in particular were addressed:

- annual overall authorizations given to the Chief Executive Officer within the limits set out in the bylaws;
- quarterly results and activity reports;
- examination of regulated agreements;
- report by the Management Board on capital expenditure and financial transactions carried out during the financial year and authorized in advance;
- authorizations to issue guarantees on behalf of subsidiaries;
- authorization to enter into various intra-Group service agreements (central services, insurance, etc.);
- authorization to enter into various rebilling agreements in respect of the Company's off-balance sheet commitments;
- assessment of safety in the company, action plans and commitments for the future;
- asset disposals;
- transfer of the registered office.

In accordance with the provisions of Article L. 823-17 of the French Commercial Code, the Statutory Auditors are, in particular, invited to all meetings of the Board of Directors which examine the annual and half-yearly financial statements.

The representatives of the Social and Economic Committee (CSE) are invited to all meetings of the Board of Directors. They attended all Board meetings held during the financial year ended December 31, 2020.

The Board of Directors may grant special powers of any kind to one or more of its members for one or more specific matters.

The sale of real estate, the full or partial sale of holdings in other enterprises and the establishment of sureties and charges, pledges or guarantees are subject to authorization by the Board of Directors on the terms set by the French Commercial Code or the Company's bylaws.

In addition, the following transactions can only be performed with the prior agreement of the Board of Directors:

- The issue of securities, of whatsoever kind, liable to result in a change to the share capital;
- Material transactions liable to affect the strategy of CNIM and of its group or to change its financial structure or its sphere of activity, the Chief Executive Officer or the Deputy Chief Executives being responsible for assessing said transactions' materiality;
- Transactions exceeding an amount set each year by the Board of Directors regarding:
  - Any investment decisions recognized under non-current assets on the balance sheet;
  - Any barter or part-exchange transactions relating to goods, stocks or securities;
  - Involvement in the establishment of any company or subscription to any issue of shares, stocks or bonds, excluding treasury transactions;
  - The granting or receipt of any loans, borrowings, credit or advances.

Members of the Board of Directors receive remuneration, both for their participation in Board meetings and for their participation in meetings of its Committees as the case may be. The annual amount of said remuneration is set, where appropriate, by the General Meeting of Shareholders, and then distributed by the Board among its members in accordance with their level of attendance at meetings of its Committees and the time that they devote to their duties.

As a reminder, the General Meeting of Shareholders held on July 31, 2020, for the purposes of voting on the remuneration policy for members of the Board of Directors, set the budgetary amount of the remuneration for the activities of Board members to be distributed for the 2020 financial year, and for each subsequent year until a new decision is made, at €550,000.

In application of the provisions of its bylaws (Article 4), at its meeting of April 30, 2021, the Board of Directors resolved to pay the following remuneration for the activities of the members of the Supervisory Board and the Board of Directors in respect of the 2020 financial year:

Supervisory Board

€16,333.33 gross to Ms. Christiane Dmitrieff, €15,814.81 gross to Mr. François Canellas, €16,333.33 gross to Ms. Sophie Dmitrieff, €16,333.33 gross to Ms.Lucile Dmitrieff, €6,481.48 gross to Ms. Sigrid Duhamel, €5,444.44 gross to Mr. Louis-Roch Burgard, €4,666.67 gross to Mr. Johannes Martin, €4,666.67 gross to Mr. Stéphane Herlicq, €4,666.67 gross to Mr. André Herlicq, €16,333.33 gross to Frel SA, €4,666.67 gross to Martin GmbH and €3,629.63 gross to Mr. Alain Sonnette. Mr. Alain Sonnette had informed the Board of his decision to waive his remuneration, which totals €115,370.37.

Board of Directors

€29,916.67 gross to Mr. Nicolas Dmitrieff, €6,666.67 gross to Ms. Christiane Dmitrieff, €6,666.67 gross to Mr. Louis-Roch Burgard, €6,666.67 gross to Ms. Sophie Dmitrieff, €13,333.33 gross to Frel SA, €16,666.67 gross to Mr. Ulrich Martin, €10,000.00 gross to Ms. Sigrid Duhamel, €27,916.67 gross to Ms. Estelle Grelier and €54,583.33 gross to Mr. Xavier Girre, giving a total of €160,750.

5.1.1.6 Shareholders' participation in the General Meeting

All shareholders have the right to attend General Meetings and to participate in the deliberations, under the terms prescribed by law.

If the Board of Directors so resolves at the time of calling a General Meeting, shareholders may participate in that meeting by video conferencing or by any other means of telecommunication (including the internet) enabling them to be identified, insofar as permitted by the applicable regulations. Where applicable, this option shall be mentioned in the notice of the meeting and the invitation. Such was the case for General Meetings held during the COVID-19 health crisis: shareholders were not physically present, in accordance with the provisions of Order no. 2020-321 of March 25, 2020.

Shareholders participating in the meeting by video conferencing or by electronic means of communication that enable them to be identified shall be deemed present for the purpose of calculating the quorum and majority.

Any shareholder who fulfils the conditions required to participate in a meeting may have himself represented by a proxy insofar as permitted by law.

Shareholders may also vote by post or, if the Board of Directors so decides, remotely by electronic means, insofar as permitted and in the manner determined by law and regulations, by sending in their voting and proxy forms for any General Meeting either in paper form or, if the Board of Directors has so decided, by electronic means of communication, it being specified that this option shall be, where applicable, mentioned in the notice of the meeting and the invitation.

In addition, a double voting right is conferred on all fully paid-up shares for which it is demonstrated that they have been registered in the name of the same shareholder for at least two years, under the terms prescribed by law.

5.1.2 List of offices and positions held in all companies during the year ended December 31, 2020

5.1.2.1 List of offices of the members of the Management Board (until July 31, 2020)

- **Mr. Nicolas Dmitrieff**

Born April 8, 1970; French national

Business address: 35, Rue de Bassano, 75008 Paris

Chairman of the Management Board (from July 27, 2009 to July 31, 2020)

Other offices

France

Chairman of the Board of Directors and Chairman of the Remuneration Committee of CNIM (as from July 31, 2020), Chairman of CNIM Transport Holding SAS, CNIM Transport France SAS, CNIM Environment & Energy EPC SAS (until July 31, 2020), CNIM Environment & Energy O&M SAS (until July 31, 2020), CNIM Innovation & Systems SAS (until July 31, 2020), CNIM Environment & Energy SAS (until July 31, 2020), CNIM Environment & Energy Participations SAS (until July 31, 2020), CNIM Environment & Energy Services SAS (until July 31, 2020), CNIM Mutual Services SAS (until July 31, 2020) and CNIM Industrial Systems SAS (until July 31, 2020).

Director of Bertin Technologies SAS (until July 31, 2020)

CNIM Permanent representative, Manager SCI du 35 rue de Bassano (until April 4, 2020)

Representative of CNIM, Chairman of the simplified joint stock companies CNIM1 (now CNIM Mutual Services) (until July 31, 2020), CNIM2 (now CNIM Innovation & Systems) (until July 31, 2020), CNIM3 (now CNIM Environment & Energy) (until July 31, 2020), CNIM4 (until July 31, 2020), CNIM6 (until July 31, 2020) and CNIM 7 (now CNIM Environment & Energy O&M) (until July 31, 2020), CNIM 8 (now CNIM Industrial Systems) (until July 31, 2020), CNIM9 (until July 31, 2020), CNIM 10 (until July 31, 2020) and CNIM 11 (now CNIM Environment & Energy Participations) (until July 31, 2020), CNIM 12 (now CNIM Environment & Energy Services) (until July 31, 2020) and CNIM 13 (now CNIM Environment & Energy EPC) (until July 31, 2020)

Representative of CNIM and Director of LAB SA (until May 20, 2020)

Abroad

Chief Executive Officer of CNIM Middle East

Director of CNIM Hong Kong Ltd, CNIM Transport Equipment, CNIM Singapore Private Ltd, CNIM Engineers FZC, CNIM Bahrain Co. WLL and CNIM Asia Pacific Ltd

Manager of Arnina (non-Group)

Permanent CNIM Representative and Member of CNIM Saudi

Permanent CNIM Representative and Director of SMA (non-Group)

Terms of office that have expired over the last five years

France

Director of Babcock Wanson France

CNIM Representative and Chairman of CNIM 5

Director of Bertin Pharma SAS

Abroad

Chairman of Exensor Security International AB (taken over by Exensor Technology AB on May 14, 2019)

- **Mr. Louis-Roch Burgard**

Born December 16, 1969; French national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Management Board holding the position of Chief Executive Officer (from May 26, 2020 to July 31, 2020)

Other offices

France

Independent member of the Supervisory Board of CNIM Groupe (until May 26, 2020), Member of the Management Board of CNIM Groupe (from May 26, 2020 to July 31, 2020), Member of the Board of Directors of CNIM Groupe (since July 31, 2020), Chief Executive Officer of CNIM Groupe (since May 26, 2020), Chairman of CNIM Innovation & Systems (since July 31, 2020), Chairman of Bertin Technologies (since July 15, 2020), Chairman of CNIM Industrial Systems (since July 31, 2020), Chairman of CNIM Environment & Energy (since July 31, 2020), Chairman of CNIM Environment & Energy Participations (since July 31, 2020), Chairman of CNIM Environment & Energy O&M (since July 31, 2020), Chairman of LAB (since July 31, 2020), Chairman of CNIM Environment & Energy Services (since July 31, 2020), Chairman of CNIM Environment & Energy EPC (since July 31, 2020), Chairman of CNIM Mutual Services (since July 31, 2020), Chairman of Cométal (since October 15, 2020) and Member of the Supervisory Board of Edmond de Rothschild (France) (since May 23, 2014).

Abroad

Director of CTE (since November 15, 2020)

Terms of office that have expired over the last five years

France

Non-Group: Chairman of Blue Green European Holdings (BGEH) (until December 18, 2019), CISE TP (until December 18, 2019), Saur International (until December 18, 2019), Stereau (until December 18, 2019), Holding d'Infrastructures des Métiers de l'Environnement (HIME) (until December 18, 2019), Saur (until December 18, 2019), Cise Tt Réunion (until December 18, 2019), Cise Réunion (until December 18, 2019), Compagnie Guadeloupéenne de Services Publics (until December 18, 2019), Société Martiniquaise de Distribution et de Services (until December 18, 2019), Sudeau (until December 18, 2019) and Terre des Trois Frères (until December 18, 2019).

Permanent representative of Holding Infrastructure des Métiers de l'Environnement (HIME) for the chairmanship of Finasaur (until December 18, 2019) and Novasaur (until December 18, 2019).

Manager, Saur Loisirs (until December 18, 2019)

Director of APRR (until June 2017), AREA (until June 2017), Eiffarie (until June 2017), Macquarie Autoroutes de France (until June 2017), ADELAC (until June 2017), Chairman of Vinci Concessions and Collectes Valorisation Énergie Déchets (COVED), Chief Executive Officer of Holding Infrastructure des Métiers de l'Environnement (HIME) and Saur.

Abroad

Chairman of the Supervisory Board of Saur Polska (non-Group) (until December 18, 2019), Director of Marafiq Saur Operation & Maintenance Co (MASA) (non-Group) and Gestion y Technicas del Agua (Gestagua) (non-Group).

- **Mr. Philippe Demigné**

Born April 30, 1961; French national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Management Board (from September 1, 2009 to July 9, 2020)

Other offices

France

Chairman of CNIM Air Space SAS (until July 28, 2020)

Chief Executive Officer of CNIM Transport France SAS (until July 28, 2020), CNIM Industrial Systems SAS (until July 28, 2020) and CNIM Innovation & Systems SAS (until July 28, 2020)

Chairman and Director of Bertin Technologies SAS (until July 15, 2020) and Bertin IT SAS (until July 22, 2020)

Chairman and Chief Executive Officer of Vecsys SA (until July 31, 2020),

Member of the Supervisory Board of Sitia SAS (non-Group)

Permanent representative of Bertin Technologies SAS, acting as Director of Winlight System and Winlight System Finance (until July 15, 2020)

Abroad

Chairman of Bertin Vietnam (until July 28, 2020)

Chairman of the Board of Directors and Director of Exensor Technology AB and Bertin Corp. (until July 28, 2020)

Chairman of the Board of Directors and Chairman of CNIM Canada Inc. (until July 28, 2020)

Director of CNIM Middle East (until July 28, 2020), CNIM Hong Kong (until July 28, 2020), CNIM Singapore Private Ltd (until July 28, 2020), Bertin Tech Ltd (formerly AMI Enterprise Intelligence Software Ltd) (until July 28, 2020) and CNIM Transport Equipment (until July 28, 2020)

Terms of office that have expired over the last five years

France

Chairman and Director of Saphymo SAS and Go Albert France SAS

Chairman and Director of Bertin Pharma SAS

Chairman of Verbalys SA

Abroad

Chairman and Director of Go Albert Africa, 9215-7775 Québec Inc. and Chairman and Director of CNIM Babcock Maroc SA

- **Mr. Stanislas Ancel**

Born May 3, 1974; French national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Management Board (from March 10, 2016 to July 31, 2020)

Other offices

France

Chairman of ELlo SAS (until July 31, 2020)

Chairman and Director of LAB SA (until May 20, 2020) and SUNCNIM SAS (until July 31, 2020)

Chief Executive Officer of CNIM Environment & Energy SAS (until July 31, 2020), CNIM Environment & Energy O&M SAS (until July 31, 2020), CNIM Environment & Energy EPC SAS (until July 31, 2020), CNIM Environment & Energy Services SAS (until July 31, 2020) and CNIM Environment & Energy Participations SAS (until July 31, 2020).

Chairman of Spears Consulting, Manager of GFA Le Jardin Des Freres and Manager of SCI Ancel

Abroad

Director of CNIM Asia Pacific (until July 31, 2020), CNIM US Corp. (until July 31, 2020), CNIM Middle East (until July 31, 2020), LAB USA Corp (until July 31, 2020), CNIM Azerbaijan (until July 31, 2020), LAB GmbH (until July 31, 2020), Wolverhampton Waste Services Limited (until July 31, 2020), Hanford Waste Services Limited (until July 31, 2020), Hanford Waste Services Holdings Limited (until June 30, 2020), Dudley Waste Services Limited (until June 30, 2020), CNIM UK Limited (until July 31, 2020), CNIM UK Construction Limited (until July 31, 2020) and MES Environmental Limited (until July 31, 2020)

Chairman and Director of CNIM Babcock Maroc SA (until July 31, 2020)

Terms of office that have expired over the last five years

France

Director of Compagnie de Chauffage Urbain de l'Aire Toulonnaise (CCUAT) SA

Abroad

Chief Executive Officer of CNIM Middle East

- **Mr. Christophe Favrelle**

Born October 15, 1960; French national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Management Board (from March 10, 2016 to July 31, 2020)

Other offices

France

Chairman of CNIM Industrie SAS (until November 30, 2020)

Director of LAB SA (until May 20, 2020), SUNCNIM SAS (until November 30, 2020), Bertin Technologies SAS (until July 15, 2020), Bertin IT SAS (until July 22, 2020) and Winlight System Finance SAS (until July 30, 2020) and Chief Executive Officer of CNIM Mutual Services SAS (until November 30, 2020)

Permanent Representative of Bertin Technologies acting as Director of Vecsys SA (until July 30, 2020)

Abroad

Manager, Babcock Services (until November 30, 2020)

Director of CNIM Middle East (until November 30, 2020), CNIM Azerbaijan (until November 30, 2020), CNIM Engineers FZC (until November 30, 2020), LAB US Corp. (until November 30, 2020), CNIM Asia Pacific (until November 30, 2020), CNIM Development (until November 30, 2020), CNIM Netherlands BV (until November 30, 2020), CNIM Industry Netherlands BV (until November 30, 2020), CNIM Bahrein Co. WLL. (until November 30, 2020), CNIM Hong Kong (until November 30, 2020) and CNIM Singapore Private Ltd (until November 30, 2020)

Permanent representative of CNIM acting as Director of CNIM Babcock Maroc (until November 30, 2020)

Terms of office that have expired over the last five years

France

Director of Saphymo and Go Albert France

Permanent Representative of Bertin Technologies acting as Director of Verbalys SA

Abroad

Director of Babcock Wanson UK, Babcock Wanson España, Babcock Wanson Italia, Babcock Wanson Polska, Babcock Wanson Caldeiras and Babcock International

5.1.2.2 List of offices of the members of the Supervisory Board (until July 31, 2020)

- **Ms. Christiane Dmitrieff**

Born January 26, 1935; French national

Business address: 35, Rue de Bassano, 75008 Paris

Chairman of the Supervisory Board (from May 24, 2016 to July 31, 2020)

Other offices

France

Vice-Chairman of the Board of Directors (as from July 31, 2020)

Chairman & CEO of Soluni SA (non-Group)

Abroad

Co-manager, SCI Socilas (non-Group), SCI Sonathan (non-Group) and SCI Les Granges (non-Group)

Terms of office that have expired over the last five years

France

None

Abroad

None

- **Mr. François Canellas**

Born April 20, 1936; French national

Business address: 35, Rue de Bassano, 75008 Paris

Chairman of the Supervisory Board (from June 22, 2006 to July 31, 2020)

Other offices

France

Director of LAB SA (until May 20, 2020)

Abroad

Director of CNIM Hong Kong Ltd

Terms of office that have expired over the last five years

France

Director of Babcock Wanson SA

Abroad

None

- **Mr. Louis-Roch Burgard**

Independent member of the Supervisory Board (from May 24, 2016 to May 26, 2020)

Business address: 35, Rue de Bassano, 75008 Paris

(See section 5.1.2.1)

Other offices

(See section 5.1.2.1)

Terms of office that have expired over the last five years

(See section 5.1.2.1)

- **Ms. Lucile Dmitrieff**

Born January 6, 1967; French national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Supervisory Board (from September 1, 2009 to July 31, 2020)

Other offices

France

Director of Soluni (non-Group)

Abroad

None

Terms of office that have expired over the last five years

France

None

Abroad

None

- **Ms. Sophie Dmitrieff**

Born June 21, 1964; French national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Supervisory Board (from November 30, 2015 to July 31, 2020)

Other offices

France

Director of Soluni (non-Group)

Abroad

None

Terms of office that have expired over the last five years

France

None

Abroad

None

- **Ms. Sigrid Duhamel**

Born December 1, 1965; French national

Business address: 35, Rue de Bassano, 75008 Paris

Independent member of the Supervisory Board (from May 24, 2016 to July 31, 2020)

Other offices

France

Chairman of the Management Board of BNP Paribas REIM France (non-Group)

Independent Director and member of the Audit Committee of Covivo (formerly Foncière des Régions) (non-Group listed company)

Chairman of the Board of Directors and Director: Technical Property Fund 2 SPPICAV SA,

Chairman of the Board of Directors and Director: BNP Paribas Diversipierre SPPICAV SA

Member of the Board of Directors and member of ASPIM (non-Group)

Abroad

Director and Vice-Chairman of the Board of Directors of BNP Paribas REIM Italy (non-Group)

Governing Trustee of Urban Land Institute (ULI) (non-Group)

Terms of office that have expired over the last five years

France

Independent member of the Supervisory Board of CNIM (from May 24, 2016 to July 31, 2020)

Chairman of Urban Land Institute France (non-Group) and Chairman of CBRE Global Investors France (non-Group)

Director of Association des Directeurs Immobiliers (ADI) (non-Group)

Member of the Supervisory Board of Selectirente (non-Group)

Abroad

None

- **Frel S.A., represented by Ms. Agnès Herlicq**

Born June 9, 1963; French national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Supervisory Board (from November 28, 2002 to July 31, 2020)

Other offices

France

Member of the Board of Directors of CNUK (as from July 31, 2020)

Other offices held by Ms. Herlicq in a personal capacity

France

CEO, Frel S.A. (non-Group)

Director, FRANELI S.A. (non-Group)

Abroad

None

Terms of office that have expired over the last five years

France

None

Abroad

None

- **Mr. André Herlicq**

Born April 30, 1961; French national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Supervisory Board (from November 28, 2002 to July 31, 2020)

Other offices

France

Co-manager, SCI Phanies (non-Group)

Abroad

None

Terms of office that have expired over the last five years

France

None

Abroad

None

- **Mr. Stéphane Herlicq**

Born May 12, 1962; French national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Supervisory Board (from September 1, 2009 to July 31, 2020)

Other offices

France

Chairman, Pliq-One SAS

Representative of Pliq-One SAS and Chairman of Sanitval SAS

Manager, Pliq-One SAS

Abroad

None

Terms of office that have expired over the last five years

France

Manager, Pliq-One SARL

Abroad

None

- **Mr. Johannes Josef Edmund Martin**

Born September 26, 1954; German national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Supervisory Board (from October 22, 2009 to July 31, 2020)

Other offices

France

Member of the Board of Directors (non-voting advisor) of CNIM (since July 31, 2020)

Abroad

CEO, Ituma GmbH (non-Group) and Martin Vermögenswerwaltungs GbR (non-Group)

Terms of office that have expired over the last five years

France

Member of the Supervisory Board of CNIM (to July 31, 2020)

Abroad

Chairman and manager of Martin GmbH für Umwelt – und Energietechnik (non-Group) (until September 30, 2016)

Chairman of the Board of Directors of Martin AG für Umwelt- und Energietechnik (non-Group) (until May 11, 2017)

Director of Martin AG für Umwelt – und Energietechnik (non-Group) (until May 19, 2020)

Chairman and Manager of Josef Martin Feuerungsbau GmbH (non-Group) (until September 30, 2016)

- **Martin GmbH für Umwelt- und Energietechnik represented by Mr. Ulrich Martin**

Born November 21, 1984; German national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Supervisory Board (from January 29, 2004 to July 31, 2020)

Other offices held by Mr. Ulrich Martin in a personal capacity

France

Member of the Board of Directors of CNIM (since July 31, 2020)

Abroad

Chief Executive Officer of Martin GmbH für Umwelt- und Energietechnik (non-Group), Josef Martin Feuerungsbau GmbH (non-Group) and MARTIN Verwaltungs-GmbH (non-Group)

Member of the Supervisory Board of Martin AG für Umwelt- und Energietechnik (non-Group) and Explo Engineering AG (non-Group)

Manager, Martin biopower Pty Ltd (non-Group)

Offices held by Mr. Ulrich Martin in a personal capacity that have expired over the last five years

France

None

Abroad

None

- **Mr. Alain Sonnette**

Representing the employee shareholders of the Company

Born November 5, 1961; French national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Supervisory Board (from November 30, 2015 to July 31, 2020)

Other offices

None

Terms of office that have expired over the last five years

None

5.1.2.3 List of offices of the members of the Board of Directors (as from July 31, 2020)

- **Mr. Nicolas Dmitrieff**

Born April 8, 1970; French national

Business address: 35, Rue de Bassano, 75008 Paris

Chairman of the Board of Directors (as from July 31, 2020)

Other offices

(See section 5.1.2.1)

Terms of office that have expired over the last five years

(See section 5.1.2.1)

- **Ms. Christiane Dmitrieff**

Born January 26, 1935; French national

Business address: 35, Rue de Bassano, 75008 Paris

Vice-Chairman of the Board of Directors (as from July 31, 2020)

Other offices

(See section 5.1.2.2)

Terms of office that have expired over the last five years

(See section 5.1.2.2)

- **Mr. Louis-Roch Burgard**

Member of the Board of Directors (as from July 31, 2020) and Chief Executive Officer (as from May 26, 2020)

Business address: 35, Rue de Bassano, 75008 Paris

(See section 5.1.2.1)

Other offices

(See section 5.1.2.1)

Terms of office that have expired over the last five years

(See section 5.1.2.1)

- **Ms. Sophie Dmitrieff**

Born June 21, 1964; French national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Board of Directors (as from July 31, 2020)

Other offices

(See section 5.1.2.2)

Terms of office that have expired over the last five years

(See section 5.1.2.2)

- **Frel S.A., represented by Ms. Agnès Herlicq**

Born June 9, 1963; French national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Board of Directors (as from July 31, 2020)

Other offices

(See section 5.1.2.2)

Other offices held by Ms. Herlicq in a personal capacity

(See section 5.1.2.2)

Terms of office that have expired over the last five years

(See section 5.1.2.2)

- **Ms. Sigrid Duhamel**

Born December 1, 1965; French national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Board of Directors (as from July 31, 2020)

Other offices

(See section 5.1.2.2)

Terms of office that have expired over the last five years

(See section 5.1.2.2)

- **Mr. Ulrich Martin**

Born November 21, 1984; German national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Board of Directors (as from July 31, 2020)

Other offices

France

None

Abroad

(See section 5.1.2.2)

Terms of office that have expired over the last five years

France

None

Abroad

None

- **Ms. Estelle Grelier**

Born June 22, 1973; French national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Board of Directors (as from July 31, 2020)

Other offices

France

Member of the General Management Committee of Saur

Member of the Executive Committee of Saur

Abroad

None

Terms of office that have expired over the last five years

France

Minister of State to the Minister for Regional Planning, Rural Affairs and Local and Regional Authorities, with responsibility for Local and Regional Authorities (from February 11, 2016 to May 10, 2017)

Abroad

None

- **Mr. Xavier Girre**

Born February 20, 1969; French national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Board of Directors (as from July 31, 2020)

Other offices

France

Director of EDF Renouvelables

Director and Chairman of the Audit Committee of Dalkia

Member of the Supervisory Board of Enedis

Chairman and Chief Executive Officer of Coentreprise de Transport d'Electricité

Member and Chairman of the Supervisory Board of RTE

Independent Director and Chairman of the Audit Committee of La Française des Jeux (non-Group listed company)

Abroad

Chairman of the Board of Directors of EDF Trading UK

Director and Chairman of the Audit Committee of EDF Energy Holding PLC

Director of Edison (non-Group listed company)

Terms of office that have expired over the last five years

France

Director of Électricité de Strasbourg (until 2016)

Member of the Supervisory Board of EDF Assurances (until 2016)

Director and Chairman of the Audit Committee of RATP (until 2016)

Abroad

Director of NNB Holding Company (until October 31, 2017)

- **Mr. Alain Sonnette**

Representing the employee shareholders of the Company

Born November 5, 1961; French national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Board of Directors (as from July 31, 2020)

Other offices

None

Terms of office that have expired over the last five years

None

- **Ms. Caroline Castets**

Representing the Company's employees

Born June 7, 1982; French national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Board of Directors (as from July 31, 2020)

Other offices

None

Terms of office that have expired over the last five years

None

- **Mr. François Dantzer**

Representing the Company's employees

Born February 26, 1962; French national

Business address: 35, Rue de Bassano, 75008 Paris

Member of the Board of Directors (as from July 31, 2020)

Other offices

None

Terms of office that have expired over the last five years

None

5.1.3 Biographies of members of the Management Board, Supervisory Board and Board of Directors

5.1.3.1 Biographies of members of the Management Board

- **Mr. Nicolas Dmitrieff**

After studying at the University of Paris IV-Sorbonne, Nicolas Dmitrieff founded Alpaga SA (1995-1999) (partner) and was then Associate Director of B2L (BBDO Group) (1999-2000).

Founder of Anteriority SA (2000-2004), member of the Supervisory Board, project executive, Chairman of the Strategy Committee and member of the Audit Committee (2004-2009) of CNIM SA. He was appointed Chairman of the Management Board in 2009 and Chairman of the Board of Directors in 2020.

- **Mr. Louis-Roch Burgard**

A graduate of the École Nationale d'Administration, the Paris Institute of Political Studies and ESCP Business School, Louis-Roch Burgard joined *Inspection Générale des Finances* (the auditing department of the Treasury) in 1998. He then joined the Vinci Group in 2002 where he held operational and general management positions before being appointed Chairman of Vinci Concessions in 2012.

In 2016, he was asked by the shareholders of the Saur Group to become the company's chairman. The Group was in financial difficulties and he was tasked with cleaning up the company's finances and relaunching its development.

Having developed a growth project enabling the group to resume its expansion, Louis-Roch Burgard left the group in December 2019. During his presidency, he strengthened the shareholder base, with the entry into Saur's capital of one of the largest industrial funds in Europe, in order to ensure the Group's competitiveness and long-term survival. Louis-Roch Burgard was a member of the Supervisory Board, Chairman of the Strategy Committee and Member of the Audit Committee of CNIM until his appointment as Member of the Management Board and Chief Executive Officer of CNIM in 2020. In addition to this position, he is a member of the Board of Directors of CNIM.

- **Mr. Philippe Demigné**

Philippe Demigné is a graduate of the École Polytechnique (1982) and holds an MBA from INSEAD (1992). He has held the position of Chairman of Bertin Technologies since 1999. Following the purchase of Bertin Technologies by the CNIM Group in 2009, Philippe Demigné took over as head of the Group's Advanced Systems Division, since renamed CNIM Industrial Systems, a position he still held in 2020. He was also a member of the CNIM Management Board.

- **Mr. Stanislas Ancel**

Stanislas Ancel has been Chief Executive of the CNIM Environment & Energy business segment since the beginning of 2016, having been Deputy Chief Executive of this segment since 2014, in charge of developing the energy recovery business in Europe and the Middle East and the solar energy business. Between 2009, the year he joined the Group, and 2013, Stanislas Ancel was previously the Group's Strategic Assignments Director and then General Secretary and Director of the La Seyne-sur-Mer establishment within the CNIM Industrial Systems business. He began his career at Deloitte, before joining the Lafarge group at Edifixio, the group's industrial marketing subsidiary. Stanislas Ancel is an engineer who graduated from the École Centrale of Lyon in 1998. He has been a member of the CNIM Management Board since March 10, 2016.

- **Mr. Christophe Favrelle**

Having held various posts in SMEs in France and abroad in a variety of business sectors, Christophe Favrelle joined the CNIM Group in 1991. He held various positions within CNIM's Finance Department: statutory consolidation, administrative and fiscal monitoring of international business, Group management auditing, general accounts for the Group's parent company, management information system development, etc., before becoming Manager of the Finance Department for the Group's parent company in 2005, representing over half of Group revenue. He was appointed as the Group's Chief Financial Officer in 2010. Christophe Favrelle is an HEC business school graduate. He has been a member of the CNIM Management Board since March 10, 2016.

5.1.3.2 Biographies of members of the Supervisory Board

- **Ms. Christiane Dmitrieff**

The daughter of the founder of CNIM, André Herlicq, Ms. Christiane Dmitrieff was a member of the Board of Directors of CNIM from 1996 to 2002. She has been a member of the Supervisory Board since 2002 and was Chairman of the Supervisory Board of CNIM from May 24, 2016 to July 31, 2020.

- **Mr. François Canellas**

François Canellas, a marine civil engineer, also holds a Masters in economic sciences. He began his career at CNIM in 1964 and since then has held various managerial and supervisory positions. Under his leadership, CNIM has over the years become one of the main players in the field of waste treatment. François Canellas has also launched new industrial activities in the field of mechanical and thermal engineering, at the same time expediting the reorganization, development and therefore the autonomy of the Group. Deputy Managing Director from 1983 to 1997, when he became Managing Director, he was then appointed Chairman of the Management Board in 2002. In 2006 he was appointed Vice-Chairman of the Supervisory Board, Chairman of the Audit Committee and a member of the Strategy Committee, which positions he held until July 31, 2020.

- **Mr. Louis-Roch Burgard**

(See section 5.1.3.1)

- **Ms. Lucile Dmitrieff**

Graduate of ENSBA (Paris Higher National School of Fine Arts). Lucile Dmitrieff works as a therapist.

- **Ms. Sophie Dmitrieff**

After completing a Masters in geography and then graduating from ESSEC Business School, Sophie Dmitrieff performed a number of roles (internal auditing, project financing and management control) within various CNIM Group companies between 1992 and 2001. In 2003, she set up the Peruvian NGO Econtinuidad Peru, which she stills manages today.

- **Ms. Sigrid Duhamel**

Sigrid Duhamel is a graduate from the ESTP school of engineering and holds an MBA from INSEAD, having started her career as an engineer at Bouygues Construction, before overseeing M&A operations first at Carrier (1996-1999) and then at Cap Gemini. She worked as a consultant for Eric Salmon & Partners between 2000 and 2004, and then moved to London, where she was made a senior director at Tishman Speyer, in charge of its European business development. In 2009, she became director of international realty development operations at Carrefour Property, before joining PSA Peugeot Citroën as group real estate director in 2011. Having been Chairman of the French subsidiary of CBRE Global Investors from December 2014 to June 2017, Sigrid Duhamel joined BNP Paribas REIM in the summer of 2017 as Chairman. She is also a member of the executive committee of BNP Paribas Real Estate’s Investment Management business line. Since March 1, 2020, Sigrid Duhamel has, in addition to her other roles, been Global Chief Investment Officer at BNP Paribas REIM, in charge of overseeing the strategy and management of investments and assets for the whole of Europe and for all asset classes.

- **Mr. André Herlicq**

Mr. André Herlicq was a member of the Supervisory Board of CNIM from 2002 until July 31, 2020.

- **Mr. Stéphane Herlicq**

Having graduated from the École Centrale of Paris in 1985, with a specialism in Construction, Stéphane Herlicq began his career at Olivetti. After eight years working for the constructor, in 1996 he returned to the service sector with Steria, where he developed the first CRM facilities for banks and the Telecoms sector. In 2000, he was appointed Technical Director for Southern Europe / Middle East in an American start-up. From 2002 to 2006, he worked in Copenhagen as CEO of Steria Denmark, and then he was appointed Director of Steria Nice. In 2009, he bought Sanitval, a local SME specializing in climate control, and has been its Chairman since then.

- **Mr. Johannes Martin**

Having graduated from the Technical University of Berlin as an environmental sciences engineer in 1983, Johannes J. E. Martin began his career at Martin GmbH für Umwelt- und Energietechnik in Munich, Germany. He started as a project engineer, with responsibility for the company's activities in Switzerland. In 1986, Johannes Martin assumed responsibility for R&D activities and for adding a new department to the company's structures. In 1987, he assumed responsibility for the technology department, including construction, start-up, after-sales service and R&D. From 1991 until September 2016, Johannes Martin held the position of Managing Director of the company. On October 1, 2016 Johannes Martin retired from Martin GmbH für Umwelt- und Energietechnik, continuing as a shareholder and handing over the management to his son Ulrich Martin.

- **Mr. Alain Sonnette**

The holder of a BAC F1 qualification, Alain Sonnette began his career at Alstom-Le Bourget, where he worked in the design office. Between 1983 and 1998, he was a General Installation designer at Babcock Entreprise in La Courneuve, before being made group head. In 1998, he became group head at CNIM's site in La Seyne-sur-Mer. In 2003, he took charge of the design office of CNIM's Environment Division at La Seyne-sur-Mer.

Since 2005, Alain Sonnette has headed up the design office of CNIM General Installation's Environment Division at La Seyne-sur-Mer and Saint Aubin (91).

5.1.3.3 Biographies of members of the Board of Directors

- **Mr. Nicolas Dmitrieff**

(See section 5.1.3.1)

- **Ms. Christiane Dmitrieff**

(See section 5.1.3.2)

- **Mr. Louis-Roch Burgard**

(See section 5.1.3.1)

- **Ms. Sophie Dmitrieff**

(See section 5.1.3.1)

- **Ms. Sigrid Duhamel**

(See section 5.1.3.1)

- **Ms. Estelle Grelier**

A graduate of the Grenoble Institute of Political Studies and the holder of a postgraduate diploma (DESS) in Franco-German relations and the European Institutions from the University of Strasbourg, Estelle Grelier is currently at the Saur Group where she holds the position of Senior Executive Vice-President of the Group's Commercial Strategy and Development, and Marketing. She is also a member of the Saur Group's General Management Committee. From July 2015 until her appointment to the Government as Secretary of State for local authorities in February 2016, Estelle Grelier chaired the Board of Directors of Business France, an unpaid role carried out on behalf of the National Assembly.

- **Mr. Xavier Girre**

A graduate of the HEC business school and the École Nationale d'Administration, Xavier Girre began his career at the French National Audit Office. He worked for the Veolia Environnement group from 1999 to 2011 where he held the positions of Group Risk and Auditing Director and Deputy Chief Executive Officer in charge of Finance of Veolia Transport and of Veolia Environmental Services. From 2011 to 2015, he was COO, Chief Financial Officer of La Poste group and then Chairman of XAnge Private Equity. In 2015, he joined EDF as France Chief Financial Officer. Xavier Girre is also a Director and Chairman of the Audit Committee of La Française des Jeux.

- **Mr. Ulrich Martin**

Ulrich Martin holds the positions of Chief Executive Officer of Martin GmbH für Umwelt- und Energietechnik and of Josef Martin Feuerungsbau GmbH, of Member of the Supervisory Board of Martin AG für Umwelt- und Energietechnik and of Explo Engineering AG, and of Manager of Martin biopower Pty Ltd and of Martin WtE Australia Pty Ltd.

- **Mr. Alain Sonnette**

(See section 5.1.3.2)

- **Ms. Caroline Castets**

Caroline Castets holds a master's degree in document engineering and began her career at Eurodoc in 2005 as a technical documentalist. In 2009, she joined CNIM as Technical Data Manager for the Defense Systems Division. In 2013, she took over responsibility for the technical data management department, which reported to the Engineering Design Department before becoming a fully-fledged department in 2017, reporting to the Engineering Division. Since July 2020, Caroline Castets has been in charge of the Data Management unit, the interface between engineering and industrialization, reporting to the Quality Department and, since March 2021, a cross-functional unit of the Product-Process Department.

- **Mr. François Dantzer**

François Dantzer holds a Master's degree in Commerce, Decision-making and Management, with a specialization in Entrepreneurship from the Faculty of Economics at Aix-Marseille University. He began his career in 2015 with DH International, which he joined as Procurement and Supply Chain Manager. Since 2018, François Dantzer has been in charge of the Boiler Cleaning activity within CNIM's Environmental Division in La Seyne-sur-Mer (83).

5.1.4 Convictions, bankruptcies, conflicts of interest and other information

To the best of the Company's knowledge (on the basis of the declarations made to it by the members of the Management Board, Supervisory Board, Board of Directors and Executive Management), over the last five years: (i) no conviction for fraud has been pronounced against a member of the Management Board, Supervisory Board, Board of Directors or Executive Management of the Company, (ii), no member of the Management Board, Supervisory Board, Board of Directors or Executive Management of the Company has been associated with any bankruptcy, sequestration, liquidation or the placing of companies in receivership, (iii) no accusation and/or sanction of an official public nature has been pronounced against these persons by statutory or regulatory authorities (including designated professional bodies), and (iv) no member of the Management Board, Supervisory Board, Board of Directors or Executive Management of the Company has been prohibited by a court from acting as a member of a management or supervisory body of an issuer or from being involved in the management or conduct of the business of an issuer. To the best of the Company's knowledge, on the date of registration of this document, no situation exists which could give rise to a conflict between the duties of the members of the Management Board, Supervisory Board or Board of Directors to the Company and their private interests and/or other duties. In addition to the provisions of the French Commercial Code that apply with regard to related-party agreements, the Board of Directors' bylaws provide that all members of the Board of Directors are obliged to inform the Board of Directors of any situation representing a conflict of interests, even a potential one, and must abstain from participating in votes on any deliberations by the Board of Directors in respect of which he or she would have such a conflict of interests.

No service contract providing for the granting of benefits under the terms of such a contract exists between the Chief Executive Officer and a member of the Board of Directors and the Company or its subsidiaries.

No arrangements or agreements have been entered into with the Company's major shareholders or with its customers, suppliers or other stakeholders whereby any of the members of the Company's Management Board, Supervisory Board, Board of Directors or Executive Management have been selected as members of an administrative, management or supervisory body or as members of Executive Management.

Furthermore, to the best of the Company's knowledge, no restrictions exist that have been agreed by the members of the Board of Directors in relation to the assignment of any stakes they hold in the Company's share capital.

Finally, as the composition of the Board of Directors appropriately reflects the shareholding of the reference shareholder, consisting of the Dmitrieff family group, in the Company, familial connections exist between certain members of the Board of Directors:

- Ms. Christiane Dmitrieff, Vice-Chairman of the Board of Directors, is the mother of Mr. Nicolas Dmitrieff, the Chairman of the Board of Directors, Ms. Lucile Dmitrieff and Ms. Sophie Dmitrieff, the aunt of Ms. Agnès Herlicq, Mr. Stéphane Herlicq and Mr. André Herlicq, and the sister of Mr. François Herlicq;
- Mr. Nicolas Dmitrieff, Chairman of the Board of Directors, is the son of Ms. Christiane Dmitrieff, Vice-Chairman of the Board of Directors;
- Ms. Lucile Dmitrieff, member of the Board of Directors, is the sister of Mr. Nicolas Dmitrieff, Chairman of the Board of Directors;
- Ms. Sophie Dmitrieff, member of the Board of Directors, is also the sister of Mr. Nicolas Dmitrieff, Chairman of the Board of Directors;
- Ms. Agnès Herlicq, permanent representative of Frel S.A. and a member of the Board of Directors, is the sister of Messrs. André and Stéphane Herlicq. Ms. Agnès Herlicq, Mr. André Herlicq and Mr. Stéphane Herlicq are cousins of Ms. Sophie Dmitrieff, Ms. Lucile Dmitrieff and Mr. Nicolas Dmitrieff.

There are no other family connections among the other members of the Board of Directors.

5.1.5 Remuneration of the Corporate Officers paid during the year ended December 31, 2020 (Article L. 22-10-9 of the French Commercial Code)

With a view to complying with the provisions of Article L. 22-10-9 of the French Commercial Code, we hereby report, based on the information in our possession, on the total remuneration and benefits of all kinds paid by the Company to its Corporate Officers during the year ended December 31, 2020, including in the form of allocation of equity instruments, debt securities or securities giving access to the capital or conferring the right to the allocation of debt securities of the Company or of the companies referred to in Articles L. 228-13 and L. 228-93. The remuneration and benefits shown hereunder include those received from companies included in the consolidation scope, within the meaning of Article L. 233-16 of the French Commercial Code, and from the company that controls the Company.

5.1.5.1 Governance structure with a Management Board and a Supervisory Board (until July 31, 2020)

- **Summary of the remuneration, indemnities and benefits of each Management Board member**

Nicolas Dmitrieff (Chairman of the Management Board) Start/end of term of office: 07.27.2009/07.31.2020	For the 2018 financial year		For the 2019 financial year		For the 2020 financial year[4]	
	Amounts due	Amounts paid	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed remuneration[1]	€460,479	€460,479	€471,955	€471,955	€276,369	€276,369
Annual variable remuneration[1][2]	€656,500	€656,500	-	-	-	0
Benefits in kind[3]	€10,877	€10,877	€11,093	€11,093	€11,261	€11,261
Total	**€1,127,856**	**€1,127,856**	**€483,048**	**€483,048**	**€287,630**	**€287,630**

(1) Gross before tax.

(2) Variable remuneration, fixed by decision of the Supervisory Board of April 7, 2011, equal to 2% of the consolidated net income of the Group. Amounts paid during the following financial year.

(3) Contributions for Corporate Officer's insurance and pensions.

(4) Until July 31, 2020.

Philippe Demigné (member of the Management Board) Start/end of term of office: 09.01.2009/07.09.2020	For the 2018 financial year		For the 2019 financial year		For the 2020 financial year	
	Amounts due	Amounts paid	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed remuneration(1)	€311,824	€311,824	€318,653	€318,653	€161,730	€161,730
Annual variable remuneration(1)(2)	€245,000	€245,000	-	-	-	-
Benefits in kind(3)	None	None	€7,026	€7,026	€3,551	€3,551
Total	**€556,824**	**€556,824**	**€325,679**	**€325,679**	**€165,281**	**€165,281**

(1) Gross before tax.
(2) Variable remuneration granted by the Supervisory Board and linked to Philippe Demigné's individual performance, the results of the Innovation & Systems business segment for which he is responsible (such as growth in order intake, growth in revenues and growth in operating income) and the results of the Group. As from the 2019 financial year, the criteria have been: qualitative criteria (taking into account the challenge of the Group's transformation, the results of the Innovation & Systems business segment for which he is responsible and the annual consolidated net income attributable to owners of the parent). It was paid during the following financial year.
(3) Company car.
(4) Until July 9, 2020.

Stanislas Ancel (member of the Management Board) Start/end of term of office: 03.10.2016/07.31.2020	For the 2018 financial year		For the 2019 financial year		For the 2020 financial year(4)	
	Amounts due	Amounts paid	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed remuneration(1)	€259,954	€259,954	€265,694	€265,694	€143,066	€143,066
Annual variable remuneration(1)(2)	€221,400	€221,400	-	-	-	-
Benefits in kind(3)	(€623)	(€623)	€4,855	€4,855	€2,832	€2,832
Other(5)					€237,426	€237,426
Total	**€480,731**	**€480,731**	**€270,549**	**€270,549**	**€383,324**	**€383,324**

(1) Gross before tax.
(2) Variable remuneration granted by the Supervisory Board and linked to Stanislas Ancel's individual performance, the results of the Environment & Energy business segment for which he is responsible (such as growth in order intake, growth in revenues and growth in operating income) and the results of the Group. As from the 2019 financial year, the criteria have been: qualitative criteria (taking into account the challenge of the Group's transformation, the results of the Environment & Energy business segment for which he is responsible and the annual consolidated net income attributable to owners of the parent). It was paid during the following financial year.
(3) Company vehicle and apartment for which adjustments are made (on a calendar year basis).
(4) Until July 31, 2020.
(5) Corresponds to contractual severance pay.

Christophe Favrelle (member of the Management Board) Start/end of term of office: 03.10.2016/07.31.2020	For the 2018 financial year		For the 2019 financial year		For the 2020 financial year(4)	
	Amounts due	Amounts paid	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed remuneration(1)	€242,638	€242,638	€259,916	€259,916	€139,955	€139,955
Annual variable remuneration(1)(2)	€45,000	€45,000	-	-	€0	€0
Benefits in kind(3)	€8,851	€8,851	€8,966	€8,966	€3,397	€3,397
Other(5)					**€410,000**	**€410,000**
Total	**€296,489**	**€296,489**	**€268,882**	**€268,882**	**€553,352**	**€553,352**

(1) Gross before tax.

Variable remuneration granted by the Supervisory Board and linked to Christophe Favrelle's individual performance, specific financial transactions carried out during the year and the results of the Group. As from the 2019 financial year, the criteria have been: qualitative criteria (taking into account the challenge of the Group's transformation, the carrying out of specific financial transactions for which he is responsible and the annual consolidated net income attributable to owners of the parent). It was paid during the following financial year.
(3) Company apartment.
(4) Until July 31, 2020.
(5) Corresponds to contractual severance pay.

Louis-Roch Burgard (member of the Management Board and Chief Executive Officer) Start/end of term of office: 05.26.2020/07.31.2020	For the 2020 financial year[4]	
	Amounts due	Amounts paid
Fixed remuneration[1]	€109,524	€109,524
Annual variable remuneration[1][2]	€54,250	€54,250
Benefits in kind[3]	€0	€0
Total	**€163,774**	**€163,774**

(1) Gross before tax.
(2) Variable remuneration granted by the Supervisory Board and linked to Louis-Roch Burgard's individual performance It may amount to 50% of the gross fixed annual remuneration if the following targets are met: (i) for 50% of the variable portion, i.e. up to one hundred and fifty thousand euros (€150,000), if, as a result of the execution of the conciliation protocol and the divestment timetable, the process of disposing of trust assets in accordance with the Trust Agreement is not completed at the end of the financial year in question; (ii) for 25% of the variable portion, i.e. up to seventy-five thousand euros (€75,000), if a reduction in overheads of at least 5% is actually achieved during the financial year ended December 31, 2020 and if the transfer of the registered office is actually carried out within 12 months of his appointment; and (iii) for 25% of the variable portion, i.e. up to seventy-five thousand euros (€75,000), in the event of an increase in the Group's EthiFinance CSR rating during a financial year. It is paid during the following financial year.
(3) Contributions for Corporate Officer's insurance and pensions.
(4) Until July 31, 2020.

Neither the Chairman of the Management Board nor the Chief Executive Officer had an employment contract with the Company. The other members of the Management Board had retained the benefit of their employment contracts which pre-date their appointment.

As a result of a decision of the Chairman of the Management Board, Mr. Nicolas Dmitrieff, the supplementary defined benefit pension plan (Article 39), implemented by a unilateral decision made by the employer on January 1, 1987, and most recently replaced by the regulation of June 15, 2009, was permanently closed on December 31, 2019 and the potential rights under the regulation were cancelled.

- **Changes in the annual remuneration paid to members of the Management Board and to the Chairman of the Supervisory Board and the equity ratios during the last five financial years**

In accordance with Article L. 22-10-9 (6) of the French Commercial Code, we present to you the ratio of the level of the annualized total remuneration of the executive Corporate Officers paid during the year to

- The median remuneration paid on a full-time equivalent basis and annualized of the employees of CNIM Groupe SA other than executives: ratio A;
- The average remuneration paid on a full-time equivalent basis and annualized of the employees of CNIM Groupe SA other than executives: ratio B.

The remuneration used to calculate the ratios (numerator and denominator) is that paid over the year and takes into account all gross amounts received subject to charges (fixed, variable, bonuses, etc.).

CNIM SA, the company on which the calculation of the 2016 to 2019 ratios was based, was split into six companies in 2020. For 2020, the calculation of the ratios has been based on CNIM Groupe SA.

The median and average remuneration, paid on a full-time equivalent and annualized basis, of the employees of CNIM SA and then of CNIM Groupe in 2020, excluding executives, was as follows:

	2016	2017	2018	2019	2020
Median	45,383.70	45,357.00	45,432.13	46,979.44	47,067.24
Average	56,968.87	54,331.46	55,864.52	55,668.21	58,025.48

The increase in 2020 was due to the change in scope: CNIM Groupe had 416 paid employees in 2020 whereas CNIM SA had 1,390 in 2019. At CNIM Groupe there are no longer any blue-collar workers and managers represent 83% of the employees whereas at CNIM SA in 2019, 8% of employees were blue-collar workers and 74% were managers.

Nicolas Dmitrieff	2016	2017	2018	2019	2020(4)
Fixed remuneration(1)	431,472.00	448,380.00	460,479.00	471,954.50	473,775.00
Annual variable remuneration(1)(2) and other	717,471.20	996,490.52	442,071.47	658,151.20	1,651.20
Benefits in kind(3)	10,571.13	10,739.00	10,876.64	11,093.45	19,304.54
Total	**1,159,514.33**	**1,455,609.52**	**913,427.11**	**1,141,199.15**	**494,730.74**
Ratio A(5)	25.55	32.09	20.11	24.29	10.51
Ratio B(5)	20.35	26.79	16.35	20.50	8.53

(1) Gross before tax.
(2) Variable remuneration, fixed by decision of the Supervisory Board of April 7, 2011, equal to 2% of the consolidated net income of the Group.
(3) Contributions for Corporate Officer’s insurance and pensions.
(4) Gross remuneration received in 2020 until July 31, annualized.
(5) Numerator: gross remuneration received in 2020 until July 31, annualized.

Philippe Demigné	2016	2017	2018	2019	2020(4)
Fixed remuneration(1)	300,001.00	305,396.00	311,824.40	318,653.01	318,653.01
Annual variable remuneration(1)(2) and other	202,354.58	201,501.53	232,584.84	246,194.38	4,432.00
Benefits in kind(3)				7,026.00	7,031.23
Total	**502.355.58**	**506,897.53**	**544,409.24**	**571,873.39**	**330,116.24**
Ratio A(5)	11.07	11.18	11.98	12.17	7.01
Ratio B(5)	8.82	9.33	9.75	10.27	5.69

(1) Gross before tax.
(2) Variable remuneration granted by the Supervisory Board and linked to Philippe Demigné’s individual performance, the results of the Innovation & Systems business segment for which he is responsible (such as growth in order intake, growth in revenues and growth in operating income) and the results of the Group. As from the 2019 financial year, the criteria have been: qualitative criteria (taking into account the challenge of the Group's transformation, the results of the Innovation & Systems business segment for which he is responsible and the annual consolidated net income attributable to owners of the parent).
(3) Company car.
(4) Gross remuneration received in 2020, annualized excluding retirement benefits.
(5) Numerator: gross remuneration received in 2020, annualized excluding retirement benefits.

Stanislas Ancel	2016	2017	2018	2019	2020(4)
Fixed remuneration(1)	250,003.00	254,501.00	259,954.40	265,694.00	265,694.00
Annual variable remuneration(1)(2) and other	151,927.00	201,927.20	231,472.86	222,504.00	1,184.11
Benefits in kind(3)	13,619.00	17,745.36	623.00	4,855.08	4,855.08
Total	**415,549.00**	**474,173.56**	**492,050.26**	**493,053.08**	**271,733.19**
Ratio A(5)	9.16	10.45	10.83	10.50	5.77
Ratio B(5)	7.29	8.73	8.81	8.86	4.68

(1) Gross before tax.
(2) Variable remuneration granted by the Supervisory Board and linked to Stanislas Ancel’s individual performance, the results of the Environment & Energy business segment for which he is responsible (such as growth in order intake, growth in revenues and growth in operating income) and the results of the Group. As from the 2019 financial year, the criteria have been: qualitative criteria (taking into account the challenge of the Group's transformation, the results of the Environment & Energy business segment for which he is responsible and the annual consolidated net income attributable to owners of the parent).
(3) Company vehicle and apartment for which adjustments are made (on a calendar year basis).
(4) Gross remuneration received in 2020, annualized excluding retirement benefits.
(5) Numerator: gross remuneration received in 2020, annualized excluding retirement benefits.

Christophe Favrelle	2016	2017	2018	2019	2020[4]
Fixed remuneration[1]	200,005.00	220,012.00	242,638.40	259,916.02	259,916.02
Annual variable remuneration[1][2] and other	58,478.52	59,458.78	62,698.03	45,000.00	19,957.57
Benefits in kind[3]	6,523.20	8,765.00	8,851.20	8,966.40	5,352.22
Total	**265,056.72**	**288,235.78**	**314,187.63**	**313,882.42**	**285,225.81**
Ratio A[5]	5.84	6.35	6.92	6.68	6.06
Ratio B[5]	4.65	5.31	5.62	5.64	4.92

(1) Gross before tax.
Variable remuneration granted by the Supervisory Board and linked to Christophe Favrelle's individual performance, specific financial transactions carried out during the year and the results of the Group. As from the 2019 financial year, the criteria have been: qualitative criteria (taking into account the challenge of the Group's transformation, the carrying out of specific financial transactions for which he is responsible and the annual consolidated net income attributable to owners of the parent).
(3) Company apartment.
(4) Gross remuneration received in 2020, annualized excluding retirement benefits.
(5) Numerator: gross remuneration received in 2020, annualized excluding retirement benefits.

Louis-Roch Burgard	2016	2017	2018	2019	2020[4]
Fixed remuneration[1]					600,000.00
Annual variable remuneration[1] and other					0
Benefits in kind[2]					0
Total					600,000.00
Ratio A[4]					12.75
Ratio B[4]					10.34

(1) Gross before tax.
(2) Contributions for Corporate Officer's insurance and pensions.
(3) Gross remuneration received in 2020, annualized.
(4) Numerator: gross remuneration received in 2020, annualized.

Stefano Costa	2016	2017	2018	2019	2020
Fixed remuneration[1]	270,100.00				
Annual variable remuneration[1][2]	100,000.00				
Benefits in kind	6,523.00				
Total	**376,533.00**				
Ratio A	8.30				
Ratio B	6.61				

(1) Gross before tax.
(2) Variable remuneration granted by the Supervisory Board and linked to the overall performance of the Environment business segment (such as growth in order intake, growth in revenues and growth in operating income).

Christiane Dmitrieff	2016	2017	2018	2019	2020[4]
Attendance fees	8,000	8,000	48,000	48,000	8,000
Other remuneration[1]	185,838	290,000	250,000	250,000	250,000
Benefits in kind					
Total	**193,838**	**298,000**	**298,000**	**298,000**	**258,000**
Ratio A[5]	4.27	6.57	6.56	6.34	5.48
Ratio B[5]	3.40	5.48	5.33	5.35	4.45

(1) Fixed annual remuneration, gross before tax, for her duties as Chairman of the Supervisory Board.
(4) Gross remuneration received in 2020, annualized.
(5) Numerator: gross remuneration received in 2020, annualized.

- **Change in the key indicator used to analyse performance**

Among its key indicators, the Group monitors in particular recurring operating income/(loss) and net income/(loss).

The change in consolidated net income/(loss) attributable to owners of the parent over the last five years is as follows:

In € thousands	2016	2017	2018	2019	2020
Net income/(loss) attributable to owners of the parent	49,742	22,021	32,825	(200,702)	(130,923)

- **Supervisory Board members: remuneration for their duties (and other remuneration)**

Members of the Supervisory Board	Amounts in respect of 2018 paid in 2019	Amounts in respect of 2019 paid in 2020	Amounts in respect of 2020 to be paid in 2021
François Canellas			
Remuneration for duties as Supervisory Board member	€48,000 (of which €40,000 for participation in Committees)	€48,000 (of which €40,000 for participation in Committees)	€15,814.81
Other remuneration (for duties as Vice-Chairman, paid monthly during the year)	€150,000	€150,000	€87,500
Total	€198,000	€198,000	€103,314.81
Christiane Dmitrieff			
Remuneration for duties as Supervisory Board member	€48,000 (of which €40,000 for participation in Committees)	€48,000 (of which €40,000 for participation in Committees)	€16,333.33
Other remuneration (for duties as Chairman, paid monthly during the year)	€250,000	€250,000	€145,833.33
Total	€298,000	€298,000	€162,166.67
Lucile Dmitrieff			
Remuneration for duties as Supervisory Board member	€48,000 (of which €40,000 for participation in Committees)	€48,000 (of which €40,000 for participation in Committees)	€16,333.33
Other remuneration	None	None	None
Total	€48,000	€48,000	€16,333.33
Sophie Dmitrieff			
Remuneration for duties as Supervisory Board member	€48,000 (of which €40,000 for participation in Committees)	€48,000 (of which €40,000 for participation in Committees)	€16,333.33
Other remuneration	None	None	None
Total	€48,000	€48,000	€16,333.33
André Herlicq			
Remuneration for duties as Supervisory Board member	€28,000 (of which €20,000 for participation in Committees)	€26,222 (of which €20,000 for participation in Committees)	€4,666.67
Other remuneration	None	None	None
Total	€28,000	€26,222	€4,666.67
Stéphane Herlicq			
Remuneration for duties as Supervisory Board member	€28,000 (of which €20,000 for participation in the Strategy Committee)	€27,111 (of which €20,000 for participation in the Strategy Committee)	€4,666.67

Other remuneration	None	None	None
Total	€28,000	€27,111	€4,666.67
Frel S.A.			
Remuneration for duties as Supervisory Board member	€26,000 (of which €20,000 for participation in the Audit Committee)	€26,222 (of which €20,000 for participation in the Audit Committee)	€16,333.33
Other remuneration	None	None	None
Total	€26,000	€26,222	€16,333.33
Johannes Martin			
Remuneration for duties as Supervisory Board member	€21,000 (of which €15,000 for participation in the Strategy Committee)	€28,000 (of which €20,000 for participation in the Strategy Committee)	€4,666.67
Other remuneration	None	None	None
Total	€21,000	€28,000	€4,666.67
Martin GmbH für Umwelt – und Energietechnik			
Remuneration for duties as Supervisory Board member	€8,000	€8,000	€4,666.67
Other remuneration	None	None	None
Total	€8,000	€8,000	€4,666.67
Sigrid Duhamel			
Remuneration for duties as Supervisory Board member	€43,000 (of which €35,000 for participation in Committees)	€42,111 (of which €35,000 for participation in Committees)	€6,481.48
Other remuneration	None	None	None
Total	€43,000	€42,111	€6,481.48
Louis-Roch Burgard			
Remuneration for duties as Supervisory Board member	€48,000 (of which €40,000 for participation in Committees)	€38,555 (of which €35,000 for participation in Committees)	€5,444.44
Other remuneration	None	None	€54,250.00
Total	€48,000	€38,555	€59,694.44
Alain Sonnette			
Remuneration for duties as Supervisory Board member	None	None	None
Other remuneration	(1)	(1)	(1)
Total			
TOTAL	**€794,000**	**€788,221**	**€399,324.07**

(1) The salary paid to the member of the Supervisory Board who represents the employee shareholders, who has an employment contract with the Company or one of its subsidiaries, is not disclosed.

5.1.5.2 Governance structure with a Board of Directors (as from July 31, 2020)

- **Summary of the Chief Executive Officer's remuneration, indemnities and benefits (as from July 31, 2020)**

Louis-Roch Burgard (Chief Executive Officer) Start/end of term of office: 07.31.2020/AGM approving the financial statements for the year ending Dec. 31, 2023	For the 2020 financial year[4]	
	Amounts due	Amounts paid
Fixed remuneration[1]	250,000	250,000
Annual variable remuneration[1][2]	125,000	125,000
Benefits in kind[3]	-	-
Other[5]	120,750	120,750
Total	495,750	495,750

(1) Gross before tax.
(2) Variable remuneration granted by the Supervisory Board and submitted for approval to the 2021 General Meeting of Shareholders. It is linked to Louis-Roch Burgard's individual performance. It may amount to 50% of the gross fixed annual remuneration if the following targets are met: (i) for 50% of the variable portion, i.e. up to one hundred and fifty thousand euros (€150,000), if, as a result of the execution of the conciliation protocol and the divestment timetable, the process of disposing of trust assets in accordance with the Trust Agreement is not completed at the end of the financial year in question, (ii) for 25% of the variable portion, i.e. up to seventy-five thousand euros (€75,000), if a reduction in overheads of at least 5% is actually achieved during the financial year ended December 31, 2020 and if the transfer of the registered office is actually carried out within 12 months of his appointment; and (iii) for 25% of the variable portion, i.e. up to seventy-five thousand euros (€75,000), in the event of an increase in the Group's EthiFinance CSR rating during a financial year. It is paid during the following financial year.
(3) Contributions for Corporate Officer's insurance and pensions.
(4) As from July 31, 2020.
(5) Exceptional remuneration that was the subject of an amendment of the 2020 corporate officer remuneration policy, which was approved by the Board of Directors and submitted for approval to the 2021 General Meeting of Shareholders. It is linked to Mr. Burgard's personal contribution to the execution of the Group's financial restructuring agreement entered into on April 29, 2020. It is paid during the following financial year.

The Chief Executive Officer does not have an employment contract with the Company.

No options to subscribe for or purchase shares have been granted to the Corporate Officers by the issuer or by any company in the Group. Therefore, no options to subscribe for or purchase shares were exercised during the financial year.

No options to subscribe for or purchase shares have been granted to employees who are not Corporate Officers by the issuer or by any company in the Group.
Lastly, no shares have been allocated free of charge to the Corporate Officers by the issuer or by any company in the Group.

- **Changes in the annual remuneration paid to the Chairman of the Board of Directors and the Chief Executive Officer and the equity ratios during the last five financial years**

In accordance with Article L. 22-10-9 (6) of the French Commercial Code, we present to you the ratio of the level of the annualized total remuneration of the executive Corporate Officers paid as from July 31, 2020, the date of adoption of a Board of Directors, to

- The median remuneration paid on a full-time equivalent basis and annualized of the employees of CNIM Groupe SA other than executives: ratio A;
- The average remuneration paid on a full-time equivalent basis and annualized of the employees of CNIM Groupe SA other than executives: ratio B.

The remuneration used to calculate the ratios (numerator and denominator) is that paid over the year and takes into account all gross amounts received subject to charges (fixed, variable, bonuses, etc.).

The scope used for 2020 is CNIM Groupe SA.
The median and average remuneration, paid on a full-time equivalent and annualized basis, of the employees of CNIM Groupe, other than the executives, was as follows:

	2020
Median	47,067.24
Average	58,025.48

Nicolas Dmitrieff	2020[4]
Fixed remuneration[1]	350,000.04
Annual variable remuneration[1][2]	0
Benefits in kind[3]	0
Total	350,000.04
Ratio A[5]	7.44
Ratio B[5]	6.03

(1) Gross before tax.
(2) Remuneration approved by a resolution of the General Meeting of Shareholders of July 31, 2020. It is paid during the following financial year.
(3) Contributions for Corporate Officer's insurance and pensions.
(4) Gross remuneration received in 2020, as from August 1, annualized.
(5) Numerator: gross remuneration received in 2020 as from August 1, annualized.

Louis-Roch Burgard	2020[3]
Fixed remuneration[1]	600,000.00
Annual variable remuneration[1]	0
Benefits in kind[2]	0
Total	600,000.00
Ratio A[4]	12.75
Ratio B[4]	10.34

(1) Gross before tax.
(2) Contributions for Corporate Officer's insurance and pensions.
(3) Gross remuneration received in 2020, annualized.
(4) Numerator: gross remuneration received in 2020, annualized.

- **Change in the key indicator used to analyse performance**

Among its key indicators, the Group monitors in particular recurring operating income/(loss) and net income/(loss). The change in consolidated net income attributable to owners of the parent over the last five years is as follows:

In € thousands	2020
Net income/(loss) attributable to owners of the parent	(130,923)

- **Members of the Board of Directors: remuneration for their duties (and other remuneration)**

Members of the Board of Directors	Amounts in respect of 2020 to be paid in 2021
Nicolas Dmitrieff	
Remuneration for duties as Board of Directors member	€17,916.67
Other remuneration (for duties as Chairman of the Strategy and Commitments Committee)	€12,000
Other remuneration (for duties as Chairman, paid monthly during the year)	€145,833.33
Total	€175,750
Christiane Dmitrieff	
Remuneration for duties as Board of Directors member	€6,666.67
Other remuneration (for duties as Vice-Chairman, paid monthly during the year)	€83,333.33
Total	€90,000
Louis-Roch Burgard	
Remuneration for duties as Board of Directors member	€6,666.67
Other remuneration	€245,750
Total	€252,416.67

Sophie Dmitrieff	
Remuneration for duties as Board of Directors member	€6,666.67
Other remuneration	None
Total	€6,666.67
Estelle Grelier	
Remuneration for duties as Board of Directors member	€17,916.67
Other remuneration (for duties as Chairman of the Remuneration Committee)	€10,000
Total	€27,916.67
Xavier Girre	
Remuneration for duties as Board of Directors member	€24,583.33
Other remuneration (for duties as Chairman of the Audit Committee)	€30,000
Total	€54,583.33
Frel S.A.	
Remuneration for duties as Board of Directors member	€13,333.33
Other remuneration	None
Total	€13,333.33
Ulrich Martin	
Remuneration for duties as Board of Directors member	€16,666.67
Other remuneration	None
Total	€16,666.67
Sigrid Duhamel	
Remuneration for duties as Board of Directors member	€10,000
Other remuneration	None
Total	€10,000
Alain Sonnette	
Remuneration for duties as Board of Directors member	None
Other remuneration	(1)
François Dantzer	
Remuneration for duties as Board of Directors member	None
Other remuneration	(1)
Caroline Castets	
Remuneration for duties as Board of Directors member	None
Other remuneration	(1)
Total	
TOTAL	**€647,333.34**

(1) The salary paid to the member of the Board of Directors who represents the employee shareholders, the Social and Economic Committee ((CSE) or the employees and who has an employment contract with the Company or one of its subsidiaries, is not disclosed.

5.1.6 Remuneration of executive Corporate Officers and proposed resolutions (Articles L. 22-10-8 and L. 22-10-34 of the French Commercial Code)

5.1.6.1 Remuneration policy for the 2021 financial year for the Chairman, Vice-Chairman, Chief Executive Officer and Members of the Board of Directors

In accordance with Article L. 22-10-8 of the French Commercial Code as updated to reflect the provisions of the law of December 9, 2016 on transparency, the fight against corruption and modernization of the economy (known as the "Sapin II law") and amended by orders no. 2019-1234 of November 27, 2019 and no. 2020-1142 of September 16, 2020, , we present to you the remuneration policy for executive Corporate Officers and Corporate Officers in their capacity as officers, which is the subject of a resolution submitted for approval by the Ordinary General Meeting of Shareholders to be held on June 25, 2021.

It should be noted that the Board of Directors, on the basis of the recommendations of the Remuneration Committee, sets the remuneration policy for executive Corporate Officers and Corporate Officers in their capacity as officers, it being understood that the persons affected by the policy shall not take part in the deliberations or voting on the elements concerning them.

The policy thus established complies with the Company's interests and thus contributes to its commercial strategy and long-term survival. In addition, it incorporates the remuneration and employment terms of the Company's employees, notably as regards the criteria defined for calculating the increase in the variable portion of some members' remuneration.

The Remuneration Committee ensures that these principles are properly applied in its work and in its recommendations to the Board of Directors, both in the development of policies and in their implementation in determining the amounts or valuations of remuneration or benefits.

It should be noted that the members of the Board of Directors who represent the employee shareholders, the employees and the Social and Economic Committee (CSE) and who have an employment contract with the Company do not fall within the scope of the remuneration policy submitted for your approval.

A. Remuneration of the Chairman of the Board of Directors

In accordance with Article L. 22-10-16 of the French Commercial Code, the Board of Directors determines the Chairman's remuneration, based on the Remuneration Committee's recommendation.

The various components of the total annual remuneration paid to the Chairman of the Board of Directors are as follows:

Fixed annual remuneration

The annual fixed remuneration of the Chairman of the Board of Directors amounts to three hundred and fifty thousand euros (€350,000).

It is determined according to criteria specific to the person concerned and in accordance with the practices of comparable groups for a similar position.

It is paid monthly.

This annual amount is determined at the start of each term of office for its entire duration and may be subject to annual revision.

The Board of Directors, on the recommendation of the Remuneration Committee, may in fact decide to increase the fixed component of the Chairman of the Board of Directors' annual remuneration in equal proportions, 50% of it by the average increase that may be awarded to executives classified as III/C under the definition used in the National Collective Bargaining Agreement for the Metal Industry and 50% by the average increase for the Group Managers' Committee members.

Lastly, the Chairman of the Board of Directors is entitled to repayment of expenses incurred in the performance of his duties, upon presentation of receipts.

Benefits of all kinds

Loss of office - unemployment insurance

The Chairman of the Board of Directors benefits from a directors' and officers' unemployment insurance policy that the Company has entered into to cover him in the event of his dismissal, enabling him to benefit from the necessary social security coverage in such an event.

Defined contribution pension plan

The Chairman of the Board of Directors also benefits from amounts invested in a defined contribution pension scheme (Article 83 of the General Tax Code). Membership of the plan has been suspended and no contributions have been paid since 2014. Nevertheless, the Chairman retains entitlement to the amounts invested.

Lastly, it is specifically noted that the Chairman of the Board of Directors is not the beneficiary of any indemnity for cessation of duties or of any share subscription or purchase options or free allocation of shares.

B. Remuneration of the Vice-Chairman of the Board of Directors

The Board of Directors determines the remuneration of the Vice-Chairman of the Board of Directors, based on the Remuneration Committee’s recommendation.

Thus the Vice-Chairman of the Board of Directors receives annual fixed remuneration of two hundred thousand euros (€200,000). The Board of Directors may decide to increase the annual fixed remuneration of the Vice-Chairman of the Board of Directors by the same proportion as the potential increase for the Company's “senior” (*hors classe*) executives.

The annual fixed remuneration of the Vice-Chairman of the Board of Directors is paid monthly.

C. Remuneration of the Chief Executive Officer

In accordance with Article L. 22-10-17 of the French Commercial Code, the Board of Directors determines the Chief Executive Officer’s remuneration, based on the Remuneration Committee’s recommendation.

The various components of the total annual remuneration paid to the Chief Executive Officer are as follows:

Remuneration

The Chief Executive Officer receives fixed remuneration which may be increased by a variable component:

- the amount of the gross fixed annual remuneration is six hundred thousand euros (€600,000);
- the amount of the gross variable annual remuneration could reach 50% of the gross fixed annual remuneration, i.e. a total amount of three hundred thousand euros (€300,000), if the following targets are met:

1. The Group's financial structure on a sound footing as of December 31, 2021 (25% of €600,000 gross)
    a. Liquidity at end-2021 > €30 million
    b. The Group’s EBITDA is positive
2. Minimum contract intake at EPC (5% of €600,000 gross):
    a. Minimum selling price = €145 million
    b. Minimum net margin = 4%
3. Continuing reduction in recurring general and administrative expenses (5% of €600,000 gross)
    a. Operating overheads: 2020 actual excluding BIT and O&M = €96 million (source: presentation to the creditors on February 23, 2021 - BIT overheads of €3 million removed).
    b. 2021 target reduction (not included in 2021 budget) = 5% i.e. €91.4 million
4. Completion of planned divestment of Medical Waste Systems and financing of additional Bertin Optique capital expenditure (5% of €600,000 gross) as of December 31, 2021
5. Finalization of the compliance work (5% of €600,000 gross)
    a. Finalization of the revision of the corruption risk map
    b. Finalization of the alert procedure and its dissemination to all staff
    c. Corruption risk training: 80% of staff at risk trained by December 31, 2021
6. Improved corporate governance (5% of €600,000 gross) including compliance with deadlines

Performance-based remuneration

The allocation of free shares or stock options makes it possible to build loyalty among those of the Group's employees and executive Corporate Officers who make a particularly significant contribution to the Group's results and to improving its financial situation, by enabling them to benefit from the Group’s future performance.

In this regard, the Chief Executive Officer will be eligible for the stock option and free share plans the Company would set up for the benefit of the Group's employees and executives in the event of a favorable vote on the dedicated resolutions proposed at the General Meeting of June 25, 2021.

Allocation of free shares

If the dedicated resolution were to be adopted, the Board of Directors could decide to proceed with the free allocation of existing shares or shares to be issued, for the benefit, in particular, of the Chief Executive Officer. The total number of existing shares or shares to be issued that could be granted in this way may not exceed the total number that may be granted to the Company's executive Corporate Officers, i.e. 1% of the share capital on the date of the Board of Directors' decision to grant free shares.

This allocation will become definitive at the end of a vesting period definitively set by the Board of Directors, which may not be less than one year, it being understood that the allocation of said shares will become definitive before the expiry of the aforementioned vesting period in the event of the beneficiary's disability corresponding to his/her classification in the second or third category provided for in Article L. 341-4 of the French Social Security Code (*Code de la sécurité sociale*), and that said shares will be freely transferable in the event of the beneficiary's disability corresponding to his/her classification in the aforementioned categories of the French Social Security Code.

The Board of Directors will have the option to provide for a retention obligation at the end of the vesting period, depending on the length of the vesting period selected.

Vesting would be subject to the satisfaction of performance conditions to be set by the Board of Directors.

Lastly, a specific retention obligation would be imposed on the Chief Executive Officer by the Board of Directors, which would either decide that the shares granted free of charge may not be sold before he leaves office or set the quantity of shares granted free of charge that he will be obliged to keep in registered form until he leaves office.

Share subscription or purchase options

If the dedicated resolution were to be adopted, the Board of Directors could decide to grant, to the Chief Executive Officer in particular, options giving the right, at the Board of Directors' discretion, either to subscribe for new shares in the Company to be issued by way of a capital increase, or to purchase existing shares in the Company that have become available as a result of repurchases made by the Company. The total number of options that may be granted in this way may not entitle the holder to subscribe to or acquire a total number of shares exceeding the total number that may be granted to the Company's executive Corporate Officers, i.e. 1.60% of the Company's share capital on the date of the Board of Directors' decision.

The shares’ subscription price will be determined on the day the Board of Directors grants the options and may not be less than the average of the prices quoted for the share on the Euronext Paris regulated market during the twenty trading sessions preceding the day on which the subscription options are granted. In the event of the granting of share purchase options, the shares’ purchase price will be determined on the day the Board of Directors grants the options and may not be less than either the average of the prices quoted for the share on the Euronext Paris regulated market during the twenty trading sessions preceding the day on which the purchase options are granted or the average purchase price of shares held by the Company.

The exercise period of the options thus granted may not exceed ten years from their allocation date, unless a subsequent General Meeting decides to set a longer period.

The options that would be granted to the Chief Executive Officer will be subject to performance conditions to be set by the Board of Directors.

Lastly, the Board of Directors must either decide that the options may not be exercised before the Chief Executive Officer leaves office or set the quantity of shares he will have to hold in registered form until he leaves office.

Welfare and pension schemes

The Chief Executive Officer benefits from the welfare and pension schemes of the “senior” (*hors classe*) category to which he is allocated and which enable the Company to benefit from the tax and social security exemptions that apply to these pension and welfare schemes.

D. Remuneration of members of the Board of Directors

In accordance with Article L. 22-10-14 of the French Commercial Code, the General Meeting is entitled to set the annual fixed sum paid to the directors for the performance of their duties. The Board of Directors then sets the amount of remuneration to be paid to the directors for their participation in Board of Directors’ meetings, within the limit determined by the General Meeting.

It is proposed that you set at five hundred and fifty thousand euros (€550,000) the total annual amount of the remuneration budget allocated to the members of the Board of Directors for the 2021 financial year as well as for each of the subsequent financial years until the General Meeting makes a further decision.

The Board of Directors distributes the above-mentioned budget among the Board members according to their level of attendance (whether physically present or represented) at the meetings of the Board of Directors, the Audit Committee, the Strategy and Commitments Committee and the Remuneration Committee and the time they devote to their duties.

The remuneration due to the members of the Board of Directors for the performance of their duties in respect of a particular financial year is paid during the following financial year.

The members of the Board of Directors each receive an overall sum of sixteen thousand euros (€16,000) for participating (whether physically present or represented) in the meetings of the Board of Directors for the previous financial year

Members of the Board of Directors attending meetings of the Audit Committee also each receive an overall sum of sixteen thousand euros (€16,000) for participating in this committee’s meetings. This sum is calculated on a pro-rata time basis, according to their participation in the aforementioned meetings.

The Chairman of the Audit Committee receives in addition fixed annual remuneration of thirty thousand euros (€30,000).

Members of the Board of Directors attending meetings of the Strategy Committee also each receive an overall sum of twenty-four thousand euros (€24,000) for participating in this committee’s meetings. This sum is calculated on a pro-rata time basis, according to their participation in the aforementioned meetings.

The Chairman of the Strategy Committee receives in addition fixed annual remuneration of twelve thousand euros (€12,000).

Members of the Board of Directors attending meetings of the Remuneration Committee also each receive an overall sum of three thousand euros (€3,000) for participating in this committee’s meetings. This sum is calculated on a pro-rata time basis, according to their participation in the aforementioned meetings.

The Chairman of the Remuneration Committee receives in addition fixed annual remuneration of ten thousand euros (€10,000).

Members of the Board of Directors do not receive any variable remuneration for their participation in Board of Directors’ meetings.

5.1.6.2 Approval of items of remuneration paid or allocated to the Chairman and to the Vice-Chairman of the Supervisory Board, to the Chairman of the Management Board, to the Chairman and Vice-Chairman of the Board of Directors and to the Chief Executive Officer in respect of the year ended December 31, 2020

In application of Article L. 22-10-34 of the French Commercial Code, and in view of the resolution of the AGM of July 31, 2020 on the remuneration policy envisaged for the year ended December 31, 2020, you are asked to approve the fixed, variable and exceptional items forming the total remuneration and benefits of all kinds paid or allocated to:

- Mr. Nicolas Dmitrieff, in respect of his offices as Chairman of the Company’s Management Board and Board of Directors;

- Ms. Christiane Dmitrieff, in respect of her offices as Chairman of the Company's Supervisory Board and Vice-Chairman of the Company's Board of Directors;
- Mr. François Canellas, in respect of his office as Vice-Chairman of the Supervisory Board;
- and to Mr. Louis-Roch Burgard, in respect of his office as the Company's Chief Executive Officer.

in respect of the year ended December 31, 2020, as presented hereunder.

- **Mr. Nicolas Dmitrieff**

Chairman of the Management Board

Items of remuneration attributed in respect of the year ended December 31, 2020 *(Article L.22-10-9 Com. code)*	Amounts	Remarks
Annual fixed remuneration	€276,369	
Annual variable remuneration	None	
Multi-annual variable remuneration	None	
Exceptional remuneration	None	
Allocation of options to subscribe or purchase shares	None	
Allocation of free shares	None	
Remuneration, indemnities or benefits due or likely to be due by reason of taking up or leaving office	None	
Items of remuneration and benefits of all kinds due or likely to be due by virtue of agreements made directly or through an intermediary by reason of his office with the company in which the office is performed, any company controlled by it within the meaning of Article L. 233-16, any company that controls it within the meaning of that same Article, or any company under common control with it within the meaning of the same Article	None	
Any other item of remuneration attributable by reason of the office	None	
Benefits of any nature granted by reason of the corporate office	€11,261	

Chairman of the Board of Directors

Items of remuneration attributed in respect of the year ended December 31, 2020 *(Article L.22-10-9 Com. code)*	Amounts	Remarks
Annual fixed remuneration	€145,833.33	
Annual variable remuneration	None	
Multi-annual variable remuneration	None	
Exceptional remuneration	None	
Remuneration for duties as Board of Directors member linked to the exercise of the office	€29,916.67	
Allocation of options to subscribe or purchase shares	None	
Allocation of free shares	None	
Remuneration, indemnities or benefits due or likely to be due by reason of taking up or leaving office	None	
Items of remuneration and benefits of all kinds due or likely to be due by virtue of	None	

agreements made directly or through an intermediary by reason of his office with the company in which the office is performed, any company controlled by it within the meaning of Article L. 233-16, any company that controls it within the meaning of that same Article, or any company under common control with it within the meaning of the same Article		
Any other item of remuneration attributable by reason of the office	None	
Benefits of any nature granted by reason of the corporate office	None	

- **Ms. Christiane Dmitrieff**

Chairman of the Supervisory Board

Items of remuneration attributed in respect of the year ended December 31, 2020 ***(Article L.22-10-9 Com. code)***	**Amounts**	**Remarks**
Annual fixed remuneration	€145,833.33	
Annual variable remuneration	None	
Multi-annual variable remuneration	None	
Exceptional remuneration	None	
Remuneration for duties as Supervisory Board member linked to the exercise of the office	€16,333.33	
Allocation of options to subscribe or purchase shares	None	
Allocation of free shares	None	
Remuneration, indemnities or benefits due or likely to be due by reason of taking up or leaving office	None	
Items of remuneration and benefits of all kinds due or likely to be due by virtue of agreements made directly or through an intermediary by reason of his office with the company in which the office is performed, any company controlled by it within the meaning of Article L. 233-16, any company that controls it within the meaning of that same Article, or any company under common control with it within the meaning of the same Article	None	
Any other item of remuneration attributable by reason of the office	None	
Benefits of any nature granted by reason of the corporate office	None	

Vice-Chairman of the Board of Directors

Items of remuneration attributed in respect of the year ended December 31, 2020 ***(Article L.22-10-9 Com. code)***	**Amounts**	**Remarks**
Annual fixed remuneration	€83,333.33	
Annual variable remuneration	None	
Multi-annual variable remuneration	None	
Exceptional remuneration	None	

Remuneration for duties as Board of Directors member linked to the exercise of the office	€6,666.67	
Allocation of options to subscribe or purchase shares	None	
Allocation of free shares	None	
Remuneration, indemnities or benefits due or likely to be due by reason of taking up or leaving office	None	
Items of remuneration and benefits of all kinds due or likely to be due by virtue of agreements made directly or through an intermediary by reason of his office with the company in which the office is performed, any company controlled by it within the meaning of Article L. 233-16, any company that controls it within the meaning of that same Article, or any company under common control with it within the meaning of the same Article	None	
Any other item of remuneration attributable by reason of the office	None	
Benefits of any nature granted by reason of the corporate office	None	

- **Mr. François Canellas**

<u>Vice-Chairman of the Supervisory Board</u>

Items of remuneration attributed in respect of the year ended December 31, 2020 *(Article L.22-10-9 Com. code)*	Amounts	Remarks
Annual fixed remuneration	€87,500	
Annual variable remuneration	None	
Multi-annual variable remuneration	None	
Exceptional remuneration	None	
Remuneration for duties as Supervisory Board member linked to the exercise of the office	€15,814.81	
Allocation of options to subscribe or purchase shares	None	
Allocation of free shares	None	
Remuneration, indemnities or benefits due or likely to be due by reason of taking up or leaving office	None	
Items of remuneration and benefits of all kinds due or likely to be due by virtue of agreements made directly or through an intermediary by reason of his office with the company in which the office is performed, any company controlled by it within the meaning of Article L. 233-16, any company that controls it within the meaning of that same Article, or any company under common control with it within the meaning of the same Article	None	
Any other item of remuneration attributable by reason of the office	None	
Benefits of any nature granted by reason of the corporate office	None	

- **Mr. Louis-Roch Burgard**

Chief Executive Officer

Items of remuneration attributed in respect of the year ended December 31, 2020 *(Article L.22-10-9 Com. code)*	Amounts	Remarks
Annual fixed remuneration	€359,524	
Annual variable remuneration	€179,250	
Multi-annual variable remuneration	None	
Exceptional remuneration	€120,750	
Remuneration for duties as Board of Directors member linked to the exercise of the office	€6,666.67	
Remuneration for duties as Supervisory Board member	€5,444.44	
Allocation of options to subscribe or purchase shares	None	
Allocation of free shares	None	
Remuneration, indemnities or benefits due or likely to be due by reason of taking up or leaving office	None	
Items of remuneration and benefits of all kinds due or likely to be due by virtue of agreements made directly or through an intermediary by reason of his office with the company in which the office is performed, any company controlled by it within the meaning of Article L. 233-16, any company that controls it within the meaning of that same Article, or any company under common control with it within the meaning of the same Article	None	
Any other item of remuneration attributable by reason of the office	None	
Benefits of any nature granted by reason of the corporate office	None	

5.1.7 Agreements referred to in Article L. 225-37-4 2 of the French Commercial Code

Please refer to chapter 7 of this document.

The agreements referred to in Article L. 225-37 of the French Commercial Code, known as “agreements relating to current transactions”, are, prior to being signed, submitted to the Group Legal Department for assessment with the support of the staff concerned. Material current agreements are reported to the Board of Directors, while regulated agreements are subject to prior authorization by the Board of Directors.

5.1.8 Items likely to have an impact in the event of a public offer

5.1.8.1 Capital structure

Please refer to chapter 3 of this document.

5.1.8.2 Statutory restrictions on the exercise of voting rights and the transfer of shares or clauses brought to the Company’s attention pursuant to Article L. 233-11 of the French Commercial Code

None.

5.1.8.3 Direct or indirect holdings in the Company's capital of which the Company has knowledge by virtue of Articles L. 233-7 and L. 233-12 of the French Commercial Code

Please refer to chapters 3 and 8.2.7 of this document.

5.1.8.4 List of holders of any securities having special control rights and description of these

None.

5.1.8.5 Control mechanisms provided for in any employee shareholding system when control rights are not exercised by the latter

None.

5.1.8.6 Agreements between shareholders of which the Company is aware and which may lead to restrictions on transfers of shares and the exercise of voting rights

None.

5.1.8.7 Rules applying to the appointment and replacement of members of the Board of Directors and amendments to the Company's bylaws

Please refer to section 8.2.2 of this document and to the applicable legal provisions.

5.1.8.8 Powers of the Board of Directors, particularly as regards the issuing or repurchase of shares

Please refer to the summary table of powers delegated by the General Meeting of Shareholders to the Board of Directors.

5.1.8.9 Agreements entered into by the Company which are modified or cease in the event of a change of control of the Company

Since this disclosure could seriously prejudice the Company's interests, we prefer to keep this information confidential.

5.1.8.10 Agreements providing for indemnities for members of the Board of Directors or employees if they resign or are dismissed without due cause or if their employment ends due to a takeover bid or merger

None.

5.1.9 Summary table of the delegations in force granted by the General Meeting of Shareholders in the area of capital increases, in application of Articles L. 225-129-1 and L. 225-129-2

Attached to this report in accordance with the provisions of Article L. 225-37-4, 3 of the French Commercial Code, is a summary table of the delegations in force granted by the General Meeting of Shareholders in the area of capital increases, in application of Articles L. 225-129-1 and L. 225-129-2 and showing the use made of these delegations over the course of the year.

Nature of the delegation of authority or powers to the Company's Chief Executive Officer in application of Articles L. 225-129-1 and L. 225-129-2 of the French Commercial Code	Date of General Meeting	Validity period Expiry	Nominal amount of capital increase authorized	Increase(s) carried out during the year	Remaining amount at the date of preparing this table
None	None		None	None	-

5.2 Internal control system

The Group implements its internal control system on the basis of the general principles recommended by the AMF. Internal control is defined as a process, implemented by an entity's Board of Directors, management and staff, designed to provide reasonable assurance as to the achievement of the following objectives:

- compliance with laws and regulations;
- the application of the instructions and policies laid down by the Executive Management;
- the proper functioning of the Group's internal processes, in particular those aimed at safeguarding its assets;
- the reliability of the financial information.

Internal control thus contributes to the security of the Group's assets, the control of its activities, the effectiveness of its operations, the efficient use of its resources and the prevention of possible shortcomings in its organization. However, like any control system, it can only provide reasonable assurance that the objectives described above are achieved.

5.2.1 Parties involved in internal control

a. Group Finance Department

The Group Finance Department centralizes and coordinates financing, treasury, taxation, the budgeting process, reporting, financial statement consolidation and risk management. It ensures compliance with the internal control systems for which it is responsible.

b. Operational departments

It is the responsibility of each operational department to conduct its activities in accordance with the applicable laws, rules and procedures.

c. The Statutory Auditors

As part of their audit and certification of CNIM's annual and consolidated financial statements, the Statutory Auditors are required to assess the effectiveness of internal control procedures and activities that directly or indirectly impact the integrity of accounting and financial information.

The Statutory Auditors carry out an interim audit before the annual accounts closing in order to test the internal control procedures and to analyze the forecast results to completion for long-term contracts that will be in progress at the end of the year.

The Statutory Auditors set out the conclusions of their audit of the financial statements and review of the internal control at summary meetings, organized firstly at subsidiary level and then at Group level, to the Group Finance Department and the Audit and Risk Committee.

The work supporting the analysis presented in this report involves testing:

- compliance with the Group's management rules;
- the safeguarding of assets;
- the prevention and detection of fraud and error;
- the fairness and completeness of accounting entries;
- the preparation on a timely basis of reliable accounting and financial information.

They report their findings to the Audit and Risk Committee.

d. Internal Audit

The internal audit plan is drawn up on an annual basis and revised as necessary. It is based on the Group's risk map.

Internal audit therefore contributes to:

- the process of identifying, assessing and dealing with risks, using the analyses and observations made on the audited scopes, the recommendations made and the monitoring of action plans;
- continuous improvement of the internal control system through internal control compliance audits to assess the adequacy and effectiveness of the organization and procedures in place.

5.2.2 Internal control supervisory bodies

The internal control system is supervised by the following bodies:

a. The Board of Directors

The Board of Directors approves the main aspects of the internal control system on the advice and recommendations of the Audit and Risk Committee.

b. The Board of Directors' Audit and Risk Committee

The composition and responsibilities of this committee are set out in section 5.1.1.3.J.a of this Universal Registration Document.

With regard to internal control, this committee reviews in particular:

- the results of audits and internal control work presented by the Audit and Internal Control Department;
- the results of the work of the Statutory Auditors, the committee also ensuring that the Statutory Auditors comply with their independence requirements.

The Group Internal Audit Charter is approved by the Chairman of the Audit and Risk Committee.

5.2.3 Internal control of accounting and financial information

The Group Finance Department is responsible for the internal control of the accounting and financial information.

a. Principles

In order to ensure overall cohesion in this process, the Company ensures that:

- the separation of functions is designed so as to allow independent checks to be made. This separation of functions demands the separation of tasks and functions relating to (i) the physical security of assets, (ii) the authorization or approval of transactions affecting the assets and (iii) the execution and accounting recognition of such transactions;
- the names of persons who may enter into contractual commitments on behalf of the Company and the required approval levels for commitments of each type are correctly defined in the Information System whenever applicable and made available to the persons in charge of accounting entries so that they may ensure that the transactions have been properly approved.

With respect to the preparation of the consolidated financial statements, the Company ensures that an organized and documented process exists to ensure the consistency of published consolidated financial and accounting data.

- procedures exist to establish the accounting and control principles for transactions and associated cash flows and communicate them within the Company;
- the information flows enable:
    - economic events to be captured without exception for each upstream process;
    - data to flow centrally to the accounting department on a regular basis;
- accounting data to be dealt with in a consistent manner:
    - a timetable for preparing accounting and financial information is circulated within the Group for the purposes of publishing the financial statements of the parent company and of the Group;
    - every employee involved in the process of compiling accounting and financial information has access to the information needed to apply, operate and/or monitor the internal control system;
    - the Finance Department has the authority to enforce accounting rules;
    - procedures exist to verify that the controls put in place are followed;
    - a manual of accounting procedures specifies the accounting rules and principles used within the Group;
    - compliance monitoring enables changes in the Company's environment to be identified and anticipated.

b. Organization and security of IT systems

- bookkeeping and accounting records are carried out using IT systems with a clear and structured organization in which systems and data are physically and virtually secure;
- the organization and functioning of the entire IT system is subject to specific rules regarding access to the approval system for accounting entries and year-end procedures, data storage and the approval of individual entries;
- procedures and controls exist to ensure the proper and secure use, maintenance and updating of accounting and management systems (and the scope thereof) and of systems feeding directly or indirectly into them;
- key controls exist in the IT system (blocking of duplicated entries, entry limits and restricted access for certain transactions, etc.);
- the Company is in a position to meet specific obligations towards the tax authorities:
    - the storage of processed data is performed by IT applications which are used to establish accounting records or to support events transcribed in documents which are reviewed by the tax authorities;
    - in terms of documentation, a description exists of the administration rules for data and files used in the IT systems which have an effect on the compilation of the accounting and tax profits and tax declarations.

c. Organization of the accounting and management function

Organization of the accounting and management function is based on the precision and completeness of the information available to all parties within the business. This relies in particular on the simultaneous recording of data in the financial and management accounting records: external expenses, productive internal workforce, revenue, etc.

- **Accounting and management reporting**

Timing and organization of closing of accounts

The Group and its parent company are organized so as to publish half-yearly financial statements as at June 30 and annual financial statements as at December 31. The main means of ensuring that accounting information is relevant and that financial statement publication schedules are adhered to are the circulation of procedures regarding year-end closing, and the periodic critical analysis of the elements constituting the income and ongoing litigation and disputes.

Cycle of income forecasts and management analyses

The Group reviews the main elements constituting its income four times a year. These reviews relate to commercial forecasts, the evaluation of the forecast outcomes of contracts, operating costs and, consequently, the income forecasts for the parent company and the subsidiaries. This includes a review of every material contract, conducted in the presence of the Chief Executive Officer.

Standardization of Group accounting

The parent company circulates year-end closure instructions to the consolidated companies, specifying in particular the timetable for the closing of the accounts and the schedule for the feeding back of the consolidation packages and other information necessary for the consolidation of the accounts. On the basis thereof, every Group company (including the parent) establishes its own detailed procedure.

The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards in force in the European Union (Note 1 to the consolidated financial statements).

- **Planning/formalization of accounts closing procedures**

Pre-closing control procedures and treatment of correcting entries

Prior to each closing of the accounts, the accounts functions ensure that all information has been recorded and that all pre-closing procedures have been carried out, including: bank reconciliations, physical inventory counts, updated forecasts of revenues and costs to completion for all contracts and a critical evaluation of all ongoing lawsuits and disputes.

Preparation for the closing of the accounts also encompasses a detailed analysis of all accounts related to third parties (suppliers, clients and internal and external personnel).

The parent company also ensures that all divisions with a decentralized accounting function and all subsidiaries have sufficient human and material resources to provide accurate and timely financial statements to their auditors and their parent company.

For the preparation of the consolidated financial statements, each Group company communicates with each other company in order to eliminate all intra-Group transactions and internal profits and losses.

Documenting accounting estimates and elections

The majority of customer contracts within the Group are accounted for using the percentage of completion method. Forecasts to completion are therefore essential for determining the results for the financial year. For the purposes of preparing the financial statements, and following the periodic forecasts mentioned above, an income forecast to completion is therefore drawn up for each contract concerned. A similar document is provided for all ongoing litigation and disputes, including the opinion of the Legal Department or the lawyer in charge of the case.

External audit

An interim external audit is carried out prior to the annual accounts closing in order to test internal control procedures and analyze the forecasts to completion for long-term contracts that will be in progress at the end of the year.

The external auditors set out the conclusions of their work on auditing the accounts and reviewing the internal control at summary meetings, organized firstly at subsidiary level and then at Group level, to the Group Finance Department, the Audit Committee and the Management Board.

The work supporting the analysis presented in this report involves testing:

- compliance with the Group's management rules;
- the safeguarding of assets;
- the prevention and detection of fraud and error;
- the fairness and completeness of accounting entries;
- the preparation on a timely basis of reliable accounting and financial information.

Having had regard to all of the procedures described, the Chairman of the Supervisory Board considers that she has reasonable assurance as to the quality of the Group's internal control.

5.2.4 Compliance with laws and regulations

The laws and regulations in force set standards of behaviour which the Group incorporates into its compliance targets.

The Group Legal Department assists and advises certain entities in the Group on a case-by-case basis and ensures:

- legal monitoring in order to ascertain the various rules applicable to the Group;
- provision of information to the relevant employees about those rules which affect them specifically;
- oversight of the major acquisition projects or litigation cases that may have an impact on the Group.

5.2.5 Procedures relating to commitments and taking on new business

The Group's Legal Department is responsible for implementing all preventive measures aimed at avoiding lawsuits and claims against Group companies, and in particular for:

- overseeing the establishment and updating of general terms of purchasing and sale;
- opining on any document liable to commit the Company and/or its subsidiaries, in particular bids and contracts, whether directly or through instructions or standard documents;
- managing, in conjunction with the Company's French and foreign lawyers, all third-party claims for which the Group may be held liable and conducting defences or appeals before the relevant judicial bodies, whether courts or arbitration tribunals;
- periodically examining the various legal cases, developments therein, risks incurred, and the adequacy of insurance cover and accounting provisions.

The Group Legal Department relies on external counsel whenever it considers it to be appropriate.

Each half year and prior to the finalization of the financial statements, the Group Legal Department organizes a meeting to review the claims, litigation and pre-litigation, after which (i) the amounts of the provisions to be recognized or adjusted are set, and (ii) the preventive or corrective measures to be carried out are defined. This meeting is organized by Division and is attended by: the business segment’s financial controller, the business segment’s lawyer(s), the Group Risk and Insurance manager, the Group Legal Director and the Chief Executive of the Division concerned.

The Group Legal Department is also responsible for ensuring that each subsidiary complies with all legal filing requirements.

5.3 Share buy-back programme

Please refer to section 3.1 1.3 of this document.

6 FINANCIAL STATEMENTS

All amounts are shown in thousands of euros.

6.1 Consolidated financial statements at December 31, 2020

6.1.1 Consolidated Balance Sheet

6.1.1.1 ASSETS

(in € thousands)	Note	Dec. 31, 2020	Dec. 31, 2019
Intangible assets	12	25,002	23,889
Goodwill	13	62,884	72,752
Property, plant and equipment	14	53,364	52,180
Right-of-use assets	26	18,616	22,382
Equity-accounted investments	15	5,331	25,491
Other non-current financial assets	16	5,174	17,647
Deferred tax assets	10	2,335	6,492
NON-CURRENT ASSETS		**172,708**	**220,833**
Inventories and work in progress	17	24,264	22,923
Advances and down payments made on orders		15,755	9,202
Trade and other receivables	18	105,349	134,603
Accrued income from contracts in progress	19	104,527	162,422
Social security and tax receivables	20	84,732	81,254
Other current operating assets	20	16,952	16,081
Cash and cash equivalents		143,101	100,546
CURRENT ASSETS		**494,680**	**527,031**
Assets held for sale	3	71,946	8,574
TOTAL CONSOLIDATED ASSETS		**739,334**	**756,438**

6.1.1.2 EQUITY AND LIABILITIES

(in € thousands)	Note	Dec. 31, 2020	Dec. 31, 2019
Share capital	21	6,056	6,056
Additional paid-in capital		7,237	7,237
Retained earnings		(19,083)	168,657
Net income for the period		(130,922)	(200,702)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		**(136,713)**	**(18,752)**
Non-controlling interests – Retained earnings		2,769	3,555
Non-controlling interests – Net income/ (loss)		(1,563)	(1,368)
NON-CONTROLLING INTERESTS		**1,206**	**2,187**
Borrowings and debt	22	203,352	29,165
Non-current lease liabilities	22, 26	13,264	16,142
Provisions for retirement and other employee benefits	23	17,808	20,976
Other non-current provisions	24	9,542	13,255
Deferred tax liabilities	10	1,616	714
NON-CURRENT LIABILITIES		**245,582**	**80,251**
Current financial liabilities	22	66,672	183,888
Current lease liabilities	22, 26	3,843	4,539
Current provisions	24	118,304	97,710
Trade and other payables		150,971	156,814
Deferred income from contracts	19	152,574	141,295
Social security and tax payables	20	83,189	84,737
Other current operating liabilities	20	14,209	23,768
CURRENT LIABILITIES		**589,762**	**692,752**
Liabilities held for sale	3	39,497	-
TOTAL CONSOLIDATED EQUITY AND LIABILITIES		**739,334**	**756,438**

6.1.2 Consolidated Income Statement

(in € thousands)	Note	31.12.2020	31.12.2019
Revenue	5, 6	**632,893**	**588,388**
Increase in semi-finished and finished goods		1,186	969
Operating grants		13,959	15,275
Other operating income		20,141	11,938
Purchases and change in inventories		(444,154)	(382,598)
Other external expenses		(86,296)	(99,573)
Taxes other than income taxes		(8,377)	(6,533)
Personnel expenses		(183,910)	(193,795)
Depreciation and amortization expense		(17,531)	(20,572)
Change in provisions		(20,619)	(57,246)
Other operating expenses		(8,442)	(7,117)
RECURRING OPERATING INCOME (EXPENSE)		**(101,148)**	**(150,864)**
Non-recurring operating income (expense)	8	1,719	(30,832)
OPERATING INCOME	5	**(99,429)**	**(181,696)**
Share of net income of equity-accounted investments	15	192	2,219
OPERATING INCOME AFTER SHARE OF NET INCOME OF EQUITY-ACCOUNTED INVESTMENTS	5	**(99,237)**	**(179,477)**
Cost of net debt	9	(7,527)	(2,091)
Foreign exchange gains and losses	9	(18,727)	(4,127)
Other financial income and expenses	9	(1,712)	129
FINANCIAL INCOME (EXPENSE)	9	**(27,966)**	**(6,089)**
PRETAX INCOME		**(127,203)**	**(185,566)**
Income tax expense	10	(5,283)	(16,503)
NET INCOME FROM CONTINUING OPERATIONS		**(132,486)**	**(202,069)**
TOTAL NET INCOME (LOSS)		**(132,486)**	**(202,069)**
Attributable to:			
. Owners of the parent		(130,922)	(200,702)
. Non-controlling interests		(1,563)	(1,368)
Earnings per share (in €)			
Basic earnings per share attributable to owners of the parent	11	(46.35)	(71.00)
Diluted earnings per share attributable to owners of the parent	11	(46.35)	(71.00)
Net earnings per share from continuing operations		(46.90)	(71.48)

6.1.3 Consolidated Statement of Comprehensive Income

(in € thousands)	Note	Dec. 31, 2020	Dec. 31, 2019
TOTAL NET INCOME (LOSS)		**(132,486)**	**(202,069)**
Remeasurement of defined benefit liability (asset), gross	23	596	(3,072)
Income tax relating to other comprehensive income that may not be reclassified to net income		1,448	(310)
Other comprehensive income items that may not be reclassified		**2,044**	**(3,382)**
Foreign currency translation adjustments		2,572	1,543
Net change in fair value of hedging instruments, gross		12,724	(1,297)
Income tax on other comprehensive income items that may be reclassified to net income		(3,938)	(145)
Equity-accounted investments – share of other comprehensive income items that may be reclassified to net income	15	(661)	(1,837)
Other comprehensive income items that may be reclassified		**10,696**	**(1,737)**
OTHER COMPREHENSIVE INCOME		**12,740**	**(5,119)**
TOTAL COMPREHENSIVE INCOME		**(119,746)**	**(207,188)**
Attributable to:			
. Owners of the parent		(117,955)	(204,987)
. Non-controlling interests		(1,791)	(2,201)

6.1.4 Consolidated Statement of Changes in Equity

(in € thousands)	Share capital	Additional paid-in capital	Provisions for retirement benefits	Hedging reserve	Foreign currency translation reserves	Other reserves	Equity attributable to owners of the parent	Equity attributable to non-controlling interests	TOTAL EQUITY
At Dec. 31, 2018 reported	**6,056**	**7,237**	**(9,352)**	**(1,038)**	**(10,352)**	**193,746**	**186,298**	**3,770**	**190,069**
Effects of IFRS 16	-	-	-	-	-	-	-	-	-
At Jan. 1, 2019	**6,056**	**7,237**	**(9,352)**	**(1,038)**	**(10,352)**	**193,746**	**186,298**	**3,770**	**190,069**
Net income for the period						(200,702)	(200,702)	(1,368)	(202,069)
Other compre-hensive income			(3,383)	(2,455)	1,553	-	(4,285)	(834)	(5,119)
Comprehensive income	**-**	**-**	**(3,383)**	**(2,455)**	**1,553**	**(200,702)**	**(204,987)**	**(2,201)**	**(207,188)**
Dividend distribution						(0)	(0)	(0)	(0)
Change in conso-lidation scope (1)						-	-	619	619
Treasury share transactions						(145)	(145)	-	(145)
Other (2)	(0)	-	6,654	-	-	(6,572)	82	(1)	81
At Dec. 31, 2019 reported	**6,056**	**7,237**	**(6,081)**	**(3,493)**	**(8,799)**	**(13,673)**	**(18,752)**	**2,187**	**(16,565)**

(1) In 2019, the change in consolidation scope related to CNIM Martin Private Limited (partnership with Martin GmbH)
(2) In 2019, reclassification to 'Other reserves' for €6,654 thousand following liquidation of the complementary defined benefit pension scheme.

(in € thousands)	Share capital	Additional paid-in capital	Provisions for retirement benefits	Hedging reserve	Foreign currency translation reserves(2)	Other reserves	Equity attributable to owners of the parent	Equity attributable to non-controlling interests	TOTAL EQUITY
At Dec. 31, 2019 reported	**6,056**	**7,237**	**(6,081)**	**(3,493)**	**(8,799)**	**(13,673)**	**(18,752)**	**2187**	**(16,565)**
Net income for the period						(130,922)	(130,922)	(1,563)	(132,486)
Other comprehensive income			2,040	8,418	2,510	-	12,967	(228)	12,740
Comprehensive income	**-**	**-**	**2,040**	**8,418**	**2,510**	**(130,922)**	**(117,955)**	**(1,791)**	**(119,746)**
Dividend distribution						0	0	(0)	0
Change in consolidation scope(1)						-	-	822	822
Treasury share transactions						(10)	(10)	-	(10)
Other	0	(0)	-	-	-	5	5	(12)	(8)
At Dec. 31, 2020	**6,056**	**7,237**	**(4,041)**	**4,925**	**(6,289)**	**(144,601)**	**(136,713)**	**1,206**	**(135,507)**

(1) In 2020, the change in consolidation scope related to CNIM Martin Private Limited (partnership with Martin GmbH)
(2) Of which €(5.6 million) relating to groups of assets held for sale (Note 3)

6.1.5 Consolidated Statement of Cash Flows

(in € thousands)	Note	Dec. 31, 2020	Dec. 31, 2019
Net income (loss)		**(132,486)**	**(202,069)**
Net income (loss) from continuing operations		**(132,486)**	**(202,069)**
Share of net income of equity-accounted investments	15	(192)	(2,219)
Depreciation, amortization and provisions		50,936	92,721
Gains or losses on disposals		(28,386)	(373)
Income from dividends		(2)	(78)
Net cash from operations before changes in working capital and after cost of net debt and income tax		**(110,130)**	**(112,018)**
Income tax expense	10	5,283	16,503
Cost of net debt	9	7,527	2,091
Net cash from operations before changes in working capital and before cost of debt and income tax		**(97,321)**	**(93,424)**
Total change in working capital requirements		72,015	4,446
Income tax paid (incl. French value-added business tax (CVAE))		(5,404)	(711)
Net cash flow from (used in) operating activities (A)		**(30,710)**	**(89,689)**
Acquisition and disposal of companies/operations net of cash acquired		4,773	(2,192)
Acquisition of property, plant and equipment and intangible assets		(22,540)	(22,988)
Acquisition of financial assets		(395)	(1,617)
Disposal of financial assets		292	15
Net change in advances and loans granted		9,219	(759)
Disposal of property, plant and equipment and intangible assets		44,006	743
Dividends received from equity-accounted investments and unconsolidated entities		205	685
Net cash flow from (used in) investing activities (B)		**35,560**	**(26,114)**
Dividends paid by the parent company		0	(0)
Dividends paid to minority shareholders		(0)	(0)
Proceeds arising from the sale of treasury shares		769	362
Proceeds from borrowings	22	99,643	112,957
Repayment of borrowings	22	(43,169)	(13,446)
Interest paid		(7,529)	(2,106)
Other financing transactions	22	(2,586)	28,259
Net cash flow from financing activities (C)		**47,128**	**126,026**
Effect of movements in exchange rates (D)		652	200
Reclassified to assets/liabilities held for sale (E)	3	(10,094)	-
NET INCREASE IN CASH AND CASH EQUIVALENTS A+B+C+D+E		**42,536**	**10,424**
Cash at Jan. 1		**94,859**	**84,435**
Cash equivalents		55	10,061
Cash		143,047	90,485
Gross cash		143,101	100,546
Current bank accounts	22	(5,707)	(5,687)
Cash at Dec. 31		**137,395**	**94,859**
Of which cash from continuing operations		137,395	94,859
NET INCREASE IN CASH AND CASH EQUIVALENTS		**42,536**	**10,424**

6.1.6 Notes to the consolidated financial statements

On May 18, 2021, the Board of Directors approved and authorized the publication of the consolidated financial statements of CNIM Group for the year ended December 31, 2020. In accordance with French law, the consolidated financial statements will be considered final once approved by the Group's shareholders at their Annual General Meeting on June 25, 2021.

CNIM Groupe SA (parent company) is a listed public limited company (*Société anonyme*) registered with the Nanterre Trade and Companies Register (RCS) under number 662 043 595. The registered office has been located at 64, rue Anatole France, Levallois-Perret since March 15, 2021.

The consolidated financial statements are presented in thousands of euros rounded to the nearest thousand. As a result of rounding, there may be immaterial differences in the totals and sub-totals in the tables.

The notes are an integral part of the consolidated financial statements for the year ended December 31, 2020.

NOTE 1 Basis of preparation and significant accounting policies

A. Applicable standards

CNIM's consolidated financial statements for the year ended December 31, 2020 have been prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union at December 31, 2020.

The complete body of standards adopted by the European Union can be consulted on the European Commission's website at the following address:

https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting_en

The consolidated financial statements at December 31, 2020 have been prepared on the same basis as at December 31, 2019 with the exception of the newly-adopted standards, amendments and interpretations that are mandatory for accounting periods beginning on or after January 1, 2020, which are described below in section a).

a. New standards applicable as of January 1, 2020

The following standards, mandatory for accounting periods beginning on or after January 1, 2020, have no impact on the Group's consolidated financial statements:

- Amendments to IFRS 3 "Definition of a Business";
- Amendments to IAS 1 and IAS 8 "Definition of Material".

The Group is not affected by the application of "Covid-19-Related Rent Concessions" (Amendment to IFRS 16), adopted by the European Union on October 9, 2020 and mandatory as of June 1, 2020.

b. New IFRS adopted by the European Union but not yet applicable

At the reporting date, there were no new IFRS adopted by the European Union but not yet applicable.

c. Standards not yet adopted by the European Union

The following standards have not yet been adopted by the European Union:

- Amendments to IFRS 3: "Reference to the Conceptual Framework";
- Amendments to IAS 1: "Classification of Liabilities as Current or Non-current";
- Amendments to IAS 16: "Property, Plant and Equipment—Proceeds before Intended Use";
- Amendments to IAS 37: "Onerous Contracts—Cost of Fulfilling a Contract";
- Annual improvements, 2018- 2020 cycle.

The Group does not expect the implementation of these standards to have a material impact on the consolidated financial statements.

B. Going concern

Management has prepared and approved the Group's consolidated financial statements on a going concern basis for a minimum period of twelve months from the date of the financial statements.

At December 31, 2020, as a result of significant losses recognized in the last two reporting periods, the Group had negative equity of €136.7 million and net debt (defined as financial liabilities net of cash and cash equivalents) of €144 million.

Given the circumstances, Management has based its assumption of going concern on:

- The signing of the conciliation protocol by all parties involved on May 21, 2021, confirming their agreement with the measures described in Note 2 "Significant events of the period",
- Government support, confirmed by the grant of a €40 million bridge loan over six months, covering the time required to obtain effective approval of the protocol,
- The completion of three ongoing divestments: (i) O&M business, (ii) unconsolidated equity investments held by CNIM Groupe in Picardie Biomasse Energie, Kogeban, CBEM, (iii) Bertin IT business,
- Cash flow projections for 2021 which show a sufficient level of cash flow with regard to the Group's current commitments and its business outlook.

The cash flow projections were based on a contract-by-contract analysis of key payment milestones (both for trade receivables and trade accounts payable) for contracts in progress and assumptions of new order intake. The timing of cash flows was determined based on Management's best estimate but includes the inherent risk of cash inflows not taking place on a given date, or cash outflows being underestimated.

The protocol should enable the Group to secure its financial resources and replenish medium-term equity, facilitating the signing of significant new contracts. However, it remains subject to material uncertainties due to certain events beyond the Group's control:

- Approval of the conciliation protocol by the French Commercial Court (*Tribunal de Commerce*);
- Authorization from the European Commission for the French government to grant a €40 million participating loan in line with State aid rules;
- All prior government authorizations and/or approvals required for the conciliation protocol (including approval of the prospectus by the French Markets Authority (AMF));
- No requirement by the AMF to implement a public repurchase offer;
- Maintenance of the bank guarantees, provided that creditors finalize an agreement on the detailed breakdown of their commitments and that CNIM signs, by December 1, 2021 at the latest, two major EPC contracts;
- No cross defaulting due to a breach or shortcoming on the part of the parent company (Soluni)

The protocol is subject to the following conditions precedent:

- The shareholders vote in favor at their Annual General Meeting;
- The usual conditions are met to enable Martin GmbH to acquire an equity interest in LAB; and
- All required documentation is provided, in a format agreed upon by all parties involved.

Consequently, there is significant uncertainty regarding the Group's ability to continue as a going concern. If the protocol is not implemented or the cash flow projections not achieved, the Group may not be able to realize its assets and settle its liabilities in the normal course of business, which may make it inappropriate to apply the IFRS principle of going concern, particularly for measuring assets and liabilities.

However, Management has assumed that the Group will continue as a going concern given the progress made in current discussions with creditors, its analysis of the likelihood of the abovementioned circumstances not occurring and its business outlook.

C. Accounting policies and bases of measurement

a. Consolidation rules

Consolidation scope

Subsidiaries are entities over which the Group exercises exclusive control.

Control exists when the Group (i) has power over an entity, (ii) is exposed or has rights to variable returns from its involvement with the entity (iii) has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated.

Joint arrangements (joint ventures or joint operations) are entities over which the Group has joint control. A joint venture is a joint arrangement whereby the Group has a right over the net assets of the entity.

Joint control is established when decisions involving the entity's main operations require the unanimous consent of the parties sharing control.

Interests in joint ventures are accounted for using the equity method.

An associate is an entity over which the Group exercises significant influence.

Significant influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control of those policies. Significant influence is presumed to exist if the Group holds between 20% and 50% of the entity's voting rights.
Interests in associates are recognized in the consolidated financial statements using the equity method.

Entities are consolidated or deconsolidated from the date on which control is effectively obtained or relinquished.

Transactions with minority interests (non-controlling interests), with no impact on control, are considered as transactions with the Group's shareholders and recorded in equity.

Reporting date

All the companies have been consolidated on the basis of their financial statements at December 31, 2020.

b. Accounting for business combinations

Business combinations occurring since April 1, 2010, have been recognized in accordance with the provisions of IFRS 3R.

At the acquisition date, which is the date on which the Company obtains control of the acquiree, the Group uses the acquisition method to account for the business combination.

The identifiable assets acquired and liabilities assumed are measured at fair value at the acquisition date.

The acquisition cost corresponds to the sum of:

- the fair value of the consideration transferred by the acquirer;
- the share of non-controlling interests, measured either on the basis of the share of net assets of the acquiree measured at fair value, or on the basis of its acquisition date fair value (choice made on a case-by-case basis for each business combination); and
- the fair value of any previously held equity interests.

Contingent consideration is measured at fair value even if it is unlikely that an outflow of resources will be required to settle the obligation.
Acquisition-related costs are expensed in the period in which they are incurred and the services are received.

Goodwill from a business combination is equal to the difference between:

- the fair value of the acquisition cost; and
- the fair value of net assets acquired and liabilities assumed at the acquisition date.

For control obtained through step acquisitions, the share of equity interest held by the Group prior to the acquisition of control is remeasured at fair value on the date on which control is obtained, and the corresponding gain or loss is recognized in the income statement.

The initial measurement of the acquisition price (including contingent consideration) and the fair value of net assets acquired and liabilities assumed is finalized within 12 months of the acquisition date, and any adjustments are recognized retroactively against goodwill. Beyond this 12-month period, any adjustments are recorded directly in the income statement.

c. Translation of financial statements denominated in foreign currencies

The Group's financial statements are prepared in euros, which is the functional and presentation currency of the parent company.

The financial statements of subsidiaries whose functional currency is not the euro are translated into euros as follows:

- Assets and liabilities are translated into euros using the exchange rate prevailing at the end of the reporting period;
- Income statement and cash flow items are translated using the average exchange rate for the reporting period.

Foreign currency translation gains or losses resulting from the use of different exchange rates for beginning and end-of-period balances and transactions for the period are recorded directly in other comprehensive income. These foreign currency translation gains or losses are recorded in the income statement on disposal of the company concerned.

d. Translation of transactions denominated in foreign currencies

Transactions denominated in foreign currencies are translated at the exchange rates effective at the transaction dates.

At each reporting date, monetary assets and liabilities denominated in foreign currencies are translated into euros at the closing exchange rate. Resulting foreign currency translation gains and losses are recognized in ‘financial income (expense)’.

Specific accounting treatment is required for hedging operations that qualify for hedge accounting (including natural hedges). Hedge accounting principles are described in section s) below.

e. Property, plant and equipment

Property, plant and equipment is recognized at amortized cost, equivalent to historical or production cost, less accumulated depreciation and impairment.

Borrowing costs directly attributable to the acquisition, construction or production of property, plant and equipment are capitalized.

Property, plant and equipment is broken down by main component and depreciated on a straight-line basis over the expected useful life of each asset. Assets classified as buildings are deemed to have a residual value equivalent to 10% of their historical cost.

The main useful lives are:

	Useful life (in years)
Buildings and roads	20 - 30
Fixtures, large plant and equipment	10
Small plant and equipment, furniture and other	2 - 10

An impairment test is performed whenever there is an indication of impairment. It is generally based on the estimated market value of the asset or its recoverable value, determined in the same way as values used for annual goodwill impairment testing.

f. Intangible assets

Intangible assets are carried at fair value, historical cost or production cost, depending on how they are acquired.

Borrowing costs directly attributable to the acquisition, construction or production of intangible assets are capitalized.

The carrying amount is net of accumulated amortization and impairment.

An impairment test is performed whenever there is an indication of impairment. It is generally based on the estimated market value of the asset or its recoverable value, determined in the same way as values used for annual goodwill impairment testing.

Intangible assets principally comprise patents, IT software and research and development costs.

Intangible assets are amortized on a straight-line basis over their expected useful lives.

The main useful lives are:

	Useful life (in years)
Concessions, patents and licenses	5 - 10
Software	3 - 5
Development costs	5

The useful lives of concessions, patents and licenses is the shorter of the legal protection period and their economic lives.

Research and development costs

Research and development costs are expensed when incurred.

Development costs:

- that cannot be separated from contracts are not capitalized. They are included in the cost of the contract;
- that can be separated from contracts may be capitalized if they meet the six criteria set out in IAS 38, notably the criterion that the expected future economic benefits attributable to the project will flow to the entity.

g. Goodwill impairment tests

Goodwill is not amortized but is tested for impairment at least once a year or more if events or changes in circumstances indicate that there is a risk of impairment. For impairment testing purposes, goodwill is allocated to Cash-Generating Units (CGUs), defined as the smallest group of identifiable assets that generates cash inflows that are largely independent of the cash inflows of other groups of assets.

A CGU represents the lowest level within the entity at which goodwill is monitored for internal management purposes.

The Group has identified the following cash-generating units:

- Four CGUs for the Environment & Energy operating segment, comprising “Environment-Construction”, “Environment-Operations”, “CNIM Babcock Services” and “Solar Energy”;
- Three CGUs for the Innovation & Systems operating segment, comprising “CNIM Industrial Systems”, “Bertin Systems & Advisory” and “Bertin IT”.

Impairment testing entails comparing the recoverable amount of each CGU to which goodwill has been allocated with its carrying amount. The recoverable amount is the higher of value in use, calculated by discounting future cash flows to present value, and fair value, which is calculated using the following method:

- Expected future cash flows from operating activities for the current and subsequent two years, plus projected normative cash flows for years four and five, net of normative income tax;
- The discount rate reflects the weighted average cost of capital per CGU; factoring in the risk-free rate, a market risk premium, a size premium and a premium for the low liquidity of the related shares.
- The discount rate is an after-tax rate and is applied to after-tax cash flows, which results in the same amount as if a pre-tax discount rate were applied to pre-tax operating cash flows, as required under IAS 36;
- The recoverable amount is the sum of the discounted operating cash flows and discounted terminal value, calculated on the basis of normative cash flows representing long-term business activity using a perpetual growth rate.

If the resulting recoverable amount of a CGU is less than its carrying amount, the carrying amount is written down to the recoverable amount and the corresponding impairment loss is recognized immediately in the income statement, first as a reduction in goodwill and subsequently as a reduction in other assets in proportion to their respective carrying amounts.

Goodwill impairment may not be reversed.

h. Non-current financial assets

Non-current financial assets comprise non-consolidated equity investments, receivables related to non-consolidated equity investments, loans, deposits and guarantees as well as derivative instrument assets relating to financing operations.

IFRS 9 sets out the requirements for recognizing and measuring financial assets.

Financial assets are classified and measured on the basis of the Group's business model and their contractual cash flow characteristics.

If a debt instrument gives rise to cash flows that are solely payments of principal and interest on the principal amount outstanding, and it is held with the objective of collecting contractual cash flows, it is measured at amortized cost. This is generally the case for receivables, loans, deposits and guarantees.

If a debt instrument gives rise to cash flows that are solely payments of principal and interest on the principal amount outstanding but it is held with the dual objective of collecting contractual cash flows and selling the asset, it is measured at fair value through other comprehensive income. At December 31, 2020 the Group did not report any financial instruments of this category.

Debt instruments that do not feature these contractual characteristics or business models are measured at fair value through profit or loss. This is the case for derivatives.

Debt instrument impairment is measured by a prospective measurement of a given instrument's credit risk at initial recognition and degradation thereof over time.

Equity instruments are measured at fair value through profit or loss. This is generally the case for non-consolidated equity interests. In specific cases determined on an investment by investment basis, and if irrevocably opted for from the outset, equity instruments can be measured at fair value through other comprehensive income, without any reclassification to profit or loss even in cases of disposal. Only dividends are still recognized in profit or loss. At December 31, 2020 the Group did not report any financial instruments of this category.

The fair value of equity instruments is determined firstly with reference to market prices, or if unavailable, using valuation methods that are not based on market data.

i. Inventories and work in progress

Inventories are carried at the lower of cost, measured using the weighted average cost method, and net realizable value.

The carrying amount of work in progress includes all production costs except for selling, general, administrative and financing costs.

The cost of inventories and work in progress is determined based on normal production conditions, excluding the potential impact of subnormal capacity usage.

Net realizable value corresponds to the estimated selling price less costs to sell.

j. Revenue

Revenue is generated by income from contracts with customers.

For each contract, revenue for the period is the difference between cumulative revenue recognized at the reporting date since contract inception, and cumulative revenue recognized in the previous reporting period.

Profit for the period is calculated as revenue minus costs incurred for the period.

The Group's revenue recognition principles have been defined as follows in accordance with IFRS 15:

Segmenting contracts into performance obligations

Some contracts cover the provision of distinct goods and services (e.g. construction, operation and/or maintenance of an asset or assets). In such cases, the contract must be segmented into accounting items called performance obligations that are accounted for separately, with their own margins and revenue recognition timing. The transaction price is allocated to each performance obligation on the basis of the relative stand-alone selling prices of each distinct good or service, to reflect the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services.

Determining the contract price

The transaction price only includes variable consideration if it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Compensation for late delivery or for not satisfying a performance obligation are deducted from revenue. Contract modifications negotiated with customers are not included in the transaction price until they become legally enforceable.

Revenue recognition at a point in time or over time

Revenue from each performance obligation identified in the contract is recognized when or as the obligation is satisfied, i.e. when the customer obtains control of the promised good or service.

Revenue from contracts for the design and delivery and complex goods is generally accounted for over time, as the goods are gradually transferred to the customer, and the Group can demonstrate that:

- the goods do not represent an asset with an alternative use, and
- the Group has an enforceable right to payment for performance completed to date, if the contract is terminated by the customer for reasons other than failure by the Contractor to perform as promised.

Revenue from service contracts is generally accounted for over time. The Group should be able to demonstrate that the customer benefits from the services as they are rendered by the Group.

Revenue from contracts for goods with an alternative use, or for which the Group has no enforceable right to be paid if the contract is terminated for reasons other than failure by the Contractor to perform as promised, is accounted for when the goods are delivered to the customer.

Progress towards complete satisfaction of a performance obligation is determined on the basis of costs incurred relative to total expected costs at completion.

Backlog

Backlog reflects revenue to be recognized for performance obligations that have only partially been, or have yet to be, satisfied at the reporting date.

k. Contract assets and liabilities

For each contract, the aggregate amount of revenue recognized for completed contract performance obligations, minus advances and down payments on orders and trade receivables, which are accounted for separately, is presented on the balance sheet under the line item 'accrued income from contracts in progress', or under the line item 'deferred income from contracts' if it is a credit balance.

Any provisions for loss-making contracts, referred to as losses at completion, are excluded from these amounts and presented separately under 'provisions for contingencies and liabilities'.

l. Contract costs

The incremental costs of obtaining a contract and the costs incurred to execute a contract that relate to a specifically identifiable contract or to future performance obligations are capitalized and recognized under the line item 'inventories and work in progress'.

m. Government grants

The Group receives financial assistance for its research and development work, mainly in the form of research tax credits.

Research tax credits and similar tax incentives in other countries are recognized as government grants. Research tax credits for eligible capitalized development costs received during the period and recognized as income may be partially deferred to subsequent periods.

n. Operating receivables and payables

Operating assets comprise trade and other receivables, accrued income from contracts, social security and tax receivables, prepaid expenses, and derivative financial instruments relating to operating activities.

Operating liabilities comprise trade accounts payable, deferred income from contracts, social security and tax payables, deferred income, and derivative financial instruments relating to operating activities.

IFRS 9 sets out the requirements for recognizing and measuring financial assets.

Financial assets are classified and measured on the basis of the Group's business model and their contractual cash flow characteristics (see section h) above).

Except for derivatives, operating assets and liabilities are initially recognized at fair value, which usually corresponds to their nominal amount. They are subsequently measured at amortized cost.

Derivatives are measured at fair value through profit or loss.

Impairment of operating receivables is measured based on the forward-looking assessment of their credit risk at initial recognition and any adverse change thereof over time.

o. Cash and cash equivalents

In accordance with IAS 7 criteria, cash and cash equivalents comprise:

- Cash at bank (bank accounts, petty cash, etc.);
- Investments maturing in less than three months, held for the purpose of meeting short-term cash commitments that are not subject to a significant risk of change in value. Such investments include funds classified as euro money market funds by the French securities market regulator (AMF) with a return approximating capitalized Eonia (or €STR).

p. Provisions

In accordance with IAS 37, obligations are provisioned when the following criteria are met:

- the Group has a current legal or constructive obligation toward a third party resulting from a past event;
- it is likely that an outflow of resources will be required to settle the obligation without a corresponding inflow of economic benefits; and
- the amount of the obligation can be reliably estimated.

Provisions mainly comprise the following:

- provisions for ongoing litigation and disputes established on the basis of the Group's best estimate of the risk of an outflow of resources;
- provisions for guarantees given to customers measured on a statistical basis in view of expenses incurred in the past in similar circumstances;
- provisions for losses at completion;
- provisions for outstanding expenses on completed contracts;
- provisions for defined benefit pension plans.

When a contract is in progress, the obligations arising from the contract are taken into account in profit at completion. When the contract is completed, the obligations are recognized as provisions under a separate line item for 'accruals on completed contracts', or in 'operating liabilities' in accordance with IAS 37.

Provisions for guarantees and expenses on contracts in progress are classified as 'current liabilities'. Other provisions are recognized as 'non-current liabilities'.

q. Income tax

The Group calculates current income tax expense in accordance with tax legislation enacted or substantially enacted at the reporting date in countries where Group subsidiaries and partners do business and generate taxable income. Management periodically reviews the tax positions taken in light of applicable tax regulations if they are open to interpretation, and where necessary determines what amounts they expect to pay to tax authorities.

Temporary deductible differences between the carrying amount of assets and liabilities and their tax value, tax losses and tax credit carry-forwards are identified in each taxable entity (or tax group, if applicable). The corresponding deferred taxes are calculated at the tax rate enacted or substantially enacted for the reporting period during which the asset was realized or the liability was settled, using the liability method.

Identified deferred tax assets are only recognized if the Group deems it probable that the temporary deductible differences, tax losses and tax credit carry-forwards can be utilized against future taxable profit. To assess this probability, the Group takes into consideration:

- historical tax results;
- forecast tax results; and
- non-recurring expenses included in past tax losses.

The carrying amount of deferred tax assets is reviewed at each reporting date.

Deferred tax assets and liabilities are offset when the following two conditions are met:

- the Group has the legal right to offset current assets and liabilities; and
- the deferred tax assets and liabilities are under the same tax jurisdiction.

Deferred tax is recognized in the income statement, unless it relates to items directly recognized in other comprehensive income. In the latter case, the deferred tax is also directly recognized in other comprehensive income.

The CNIM Group classifies the French business contribution on value-added (CVAE) as income tax, in accordance with IAS 12. Consequently, this tax is presented in the line item "Income tax expense", along with the related deferred tax assets and liabilities.

r. Retirement and other employee benefits

In compliance with the local laws and customs adopted by each subsidiary, the Group offers its employees various post-employment benefits such as pensions, early retirement, retirement benefit plans and long-service awards.

Defined post-employment benefit plans

For defined benefit plans for a single employer, the Group uses the projected unit credit method to determine the present value of its benefit obligations and related present and past service costs. Each period of service gives rise to an additional unit of benefit entitlement, with each unit measured separately to calculate the final obligation. The method factors in best estimates stemming from actuarial assumptions such as number of years of future service, final salary at employment termination, estimated life expectancy, discount rates and return on plan assets.

Qualifying plan assets are measured at fair value at the end of the reporting period and are presented as a deduction from the obligation.

The Group periodically reviews its measurement of retirement benefit obligations and the assets of each plan. Effects of changes in actuarial assumptions are assessed, along with differences between actual data and the assumptions used. These actuarial gains and losses are recognized as 'other comprehensive income items that may not be reclassified to net income', in accordance with amended IAS 19.

The estimated costs of benefits paid out to employees under defined benefit plans is provisioned over the period of employee service under operating income.

Defined post-employment contribution plans

For defined contribution plans similar to social security, the contributions paid are recognized under 'operating expenses'. As the Group's obligation is limited to the contributions paid in each reporting period, no provisions are recognized for these plans.

Other long-term benefits

The accounting method used to recognize obligations for long-service awards and other long-term benefits is comparable to that used for defined benefit plans. The difference is that actuarial gains and losses arising on provisions for long-service awards are immediately recognized in the income statement.

s. Derivative financial instruments and hedge accounting

The Group uses derivatives to:

- hedge its exposure to risk from fluctuations in exchange rates on firm commitments and highly probable forecast transactions, through currency forward contracts;
- hedge its variable-rate borrowings at fixed rates using interest rate swaps if the Company's exposure to the associated risks is deemed to be material.

Both types of derivatives are cash flow hedges that minimize the impact of changes in future cash flows on net income.

Derivatives are initially recognized at fair value. They are subsequently remeasured at fair value at each reporting date, with any changes in fair value recognized in the income statement.

When the derivative instruments qualify for hedge accounting, changes in fair value of the effective portion of the hedge are recognized in other comprehensive income that may be reclassified to the income statement; while the ineffective portion of the hedge is recognized in the income statement in financial income (expense). Cash flow hedge reserves are reclassified to the income statement in the period in which the hedged item affects income.

For certain contracts, exchange rate risk may be hedged by matching cash inflows and cash outflows in the same currency (i.e., natural hedging). In such cases, the cash and other net monetary assets allocated to the contract denominated in a given foreign currency and used to finance future expenditure denominated in the same currency, may qualify as foreign currency cash flow hedges. Any foreign exchange gains or losses on the remeasurement of these monetary assets at the reporting date exchange rate are recognized in other comprehensive income and reclassified to the income statement when the hedged items affect income.

t. Treasury shares

Purchases of treasury shares are recorded as a deduction from equity on the basis of their acquisition cost.

Proceeds from the disposal of treasury shares are recognized directly in equity and do not affect net income for the period.

u. Earnings per share

Basic earnings per share are calculated by dividing net income attributable to the owners of the parent by the weighted average number of shares outstanding in the period.

Diluted earnings per share are obtained by dividing net income attributable to the owners of the parent by the weighted average number of shares outstanding in the period, adjusted for the effects of all dilutive equity instruments.

v. Segment information

In accordance with IFRS 8, the Group's operating segments are the following:

Environment & Energy

This segment includes the following product and service lines:

- construction of waste-to-energy processing plants for household waste and biomass;
- installation of flue gas treatment systems;
- operation and renovation of waste processing plants;
- design and construction of thermodynamic solar plants.
- maintenance and refurbishment of industrial boilers, household waste processing plants, installation and refurbishment of boiler houses, and upgrading to standards through CNIM Babcock Services (CBS).

Innovation & Systems

This segment includes the following product and service lines:

- technological study services and provision of technical expertise on projects (involving high-level engineers);
- provision of on-board mechanical and electronic services;
- advanced systems: complex systems, advanced equipment and technology for the defense and space industries and scientific research;
- transport: design, manufacturing, installation and maintenance of heavy and conventional escalators.

Each operating segment manufactures products and provides services with technical, industrial and commercial synergies. The segments are composed of the CGUs described in section g).

The Chairman of the Board of Directors, who is the chief operating decision maker, analyzes the Group's performance based on information prepared by the operating segments.

w. Right-of-use assets and lease liabilities

Since the effective date of IFRS 16, the Group has recognized lease liabilities reflecting the present value of outstanding lease payments, and a right-of-use asset for the underlying asset.

Lease liabilities

At the commencement date of the lease, the liability is measured as the present value of lease payments that have not been paid at that date, which comprise:

- fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option;
- payments of penalties for terminating the lease, if the lease term was determined assuming that the lessee would exercise the option to terminate the lease.

The discount rate used to measure the lease liability is usually the lessee's incremental borrowing rate. It takes into account the weighted average term of payments, country risk, risk specific to the subsidiary and the incremental borrowing rate of the parent company since the centralization of financing by the latter.

The lease term is the period for which the contract is enforceable on legal grounds or based on economic considerations that make it highly probable that the lease will be renewed or terminated.

After the commencement date, the lease liability is amortized using the lease discount rate and may be remeasured in the following situations: change in lease term; change in the assessment of whether the entity is reasonably certain to exercise an option; remeasurement of residual value guarantees; change in a rate or index used to determine lease payments when an adjustment in lease payments occurs.

Right-of-use assets

At the commencement date of the lease, the carrying amount of right-of-use assets equals the amount recognized for the lease liability (in some cases adjusted for lease payments made in advance or that have not yet been paid).

After the commencement date, the right-of-use assets are depreciated on a straight-line basis over the lease term and are adjusted whenever the lease liability is remeasured.

x. Contingent liabilities

An obligation is a contingent liability if the amount cannot be estimated with sufficient reliability or if it is unlikely that it will give rise to an outflow of resources. Contingent liabilities are not recognized unless they are identified in a business combination as part of the acquiree's identifiable assets and liabilities.

y. Non-current assets held for sale and discontinued operations

At the reporting date, when it is highly probable that non-current assets or groups of related assets and liabilities will be sold, they are designated as non-current assets or groups of assets held for sale. They are then presented on a separate line of the balance sheet.

Their disposal is deemed to be highly probable if, at the reporting date, there is a firm plan to actively market the assets for sale at a sales price that is reasonable in relation to their fair value in order to locate a buyer and finalize the sale within one year.

In accordance with IFRS 5, non-current assets or groups of assets held for sale:

- are measured at the lower of their carrying amount and fair value less costs to sell; and
- cease to be depreciated/amortized.

When non-current assets to be sold or classified as held for sale correspond to a separate main line of business or geographical area of operations and their sale is part of a single, coordinated plan, they are classified as 'discontinued operations'. The related cash flows are presented separately in the income statement.

z. Service concession arrangements

IFRIC 12 on Service Concession Arrangements deals with public service concession arrangements where:

- the grantor controls or regulates the services to be supplied by the operator, determines to whom they should be supplied and at what price;
- the grantor has control over the licensed infrastructure at the end of the agreement.

In exchange for constructing the infrastructure, the operator receives:

- either a financial asset when it is in possession of an unconditional right to receive cash amounts;
- or an intangible asset representing the right to invoice users of the licensed service, when it has no guarantee of the total amount to be received.

The Group entities concerned by IFRIC 12 are the UK companies HWS, DWS and WWS, which have built household waste incineration plants and are remunerated by public authorities (local councils) based on a processing price per metric ton and minimum contractual tonnage.

As these contracts are hybrid, the minimum contractual tonnage component is recognized as a financial asset and the component relating to quantities processed over the minimum tonnage is recognized an intangible asset.

- adjustments to the financial asset reflect revenue received that reduces the receivable;
- adjustments to the intangible asset reflect straight-line amortization over the concession period.

These entities were sold on July 23, 2020 (see Note 2).

D. Main estimates

The CNIM Group may make estimates and assumptions, which affect the carrying amounts of assets and liabilities, income and expenses, and information relating to contingent assets and liabilities. Actual future results may differ significantly from these estimates.

The underlying estimates and assumptions are drawn up on the basis of past experience and other factors considered reasonable given the circumstances. They are therefore used as a basis for exercising the judgment necessary for determining asset and liability carrying amounts that cannot be obtained directly from other sources. Actual values may differ from estimated amounts.

The main sources of significant accounting estimates and judgments relate to:

- the transaction price and cost at completion of construction contracts recognized on a percentage-of-completion basis,
- the assessment of the Group's potential exposure to litigation with third parties,
- estimates of the recoverable amounts of goodwill and other non-current assets,
- the assessment of deferred tax assets arising from tax losses carried forward, and
- the measurement of right-of-use assets and the associated lease liabilities.

Concerning contracts recognized on a percentage-of-completion basis, as described in section C. p) of Note 1 the estimated consideration upon completion is recognized in revenue based on the percentage of completion, defined in relation to costs incurred over the amount of estimated costs at completion (see Note 6). Income and expenses expected over the course of a contract are outlined in a forecast of profit or loss at completion, and subject to revision as the contract progresses. They show the Group's best estimate of the future benefits and obligations expected from the contract, based on available information and taking into account the technical and contractual constraints unique to each contract.

In terms of litigation, and as described in section C. p) of Note 1, the Group regularly monitors and analyzes the main ongoing litigation and recognizes the provisions it deems necessary. The provisions are the Group's best estimate, at the closing date, of the outflow of resources that will be required to settle the obligation and take into account the available information and the full range of possible outcomes (see Note 24).

Goodwill (see Note 13) is tested for impairment at least once a year using the method described in section C. g) of Note 1, and when there is an indication of impairment. A similar method is used for other intangible assets and property, plant and equipment when there is an indication of impairment, particularly if they are part of a CGU which has no goodwill and is therefore not annually tested for impairment.

Tax assets arising from tax losses carried forward (see Note 10) are only recognized if it is deemed probable that they can be used against future taxable profit, as described in section C. q) of Note 1. This estimate is particularly sensitive given the scale of losses reported for 2019 and 2020.

For right-of-use assets and the associated lease liabilities, assumptions and estimates are particularly used to determine discount rates and lease terms, as described in section C. w) of Note 1.

NOTE 2 Significant events of the period

Significant losses due to difficulties in performing certain contracts and the health crisis

The Group generated significant losses during the period, primarily relating to projects involving the design and construction of "turnkey" household waste-to-energy processing plants. Significant provisions were recognized, mainly due to additional losses affecting several projects in the United Kingdom. Two external events also heavily impacted the costs of turnkey processing plant contracts underway in 2020: the pandemic, which extended contract time to completion by approximately three months and increased certain costs, and Brexit, which created tensions in the job market in the United Kingdom.

The main risks for the Group identified over the period are as follows:

- Employee health and safety (risk of infection);
- Absenteeism of CNIM personnel or sub-contractors on worksites;
- Restrictions on travel for CNIM employees, hindering progress on certain contracts;
- Business disruption (plants/offices/worksites);
- Requests from customers to shut down certain worksites or cease contract work;
- Contract breaches by sub-contractors/suppliers;
- Delayed delivery of key equipment or products;
- Lower productivity due to teleworking;
- Cancellation or deferral of new orders or amendments to existing orders.

The Group implemented several measures at Group level to enable it to pursue its operations during the health crisis. These included:

- Holding crisis management meetings, at various levels (Executive Committee, Management Board, HSE and HR) as often as required;
- Preparing, implementing and monitoring specific Business Continuity Plans, by operating and HSE managers;
- Consulting with and informing employee representatives with regard to the strategies implemented;
- Drafting and circulating internal rules on wearing personal protective equipment, teleworking, travel restrictions and the use of Group premises;
- Providing the Group with personal protective equipment for employees required to be present at work;
- Reminding employees of the importance of simple precautions, such as physical distancing and wearing a mask, through signs, posters and other forms of communication;
- Contact tracing and identifying clusters within the Group in order to take appropriate measures to isolate confirmed contacts for COVID-19, in line with local health authority guidelines;

- Implementing stronger, streamlined regulatory monitoring to comply with local measures in the various countries where the Group operates;
- Analyzing contract clauses and holding discussions with customers in that respect, including informing them of legal consequences.

Before the pandemic, some Group companies had negotiated and set up company agreements relating to teleworking. Consequently, the IT Department had adequate, secured infrastructure in place, both in terms of hardware and software. When several countries imposed strict lockdowns in an attempt to slow down the spread of the pandemic, in just a few days, the IT Department was able to equip several hundred Group employees with secure hardware and software, enabling a maximum number of employees to continue working from the safety of their homes.

To date, the health crisis has had the following main impacts:

- At Group level:
  - Although operations have continued at most of the Group's plants, workshops and customer worksites, projects were delayed by between three and five months, depending on the region;
  - Teleworking has been adopted at most of the Group's administrative sites in France, to varying degrees depending on the period and type of lockdown in force;
  - The Group has implemented some government measures to provide financial support to French and UK companies, including part-time activity and deferred payment of tax and social security contributions.
- Key points by Operating Segment/Division:

	Reduced activity on production sites	**Cost overruns**	**Delays in signing new contracts**
Environment & Energy			
EPC	Slowdowns at installation sites in line with changes in local health measures (United Arab Emirates, Serbia, Scotland, United Kingdom, etc.)	Delays and an increase in overheads	-
LAB	-	Delays and an increase in overheads	Order delays, mainly relating to the "Marine Scrubbers" business
O&M	Temporary shutdown of sorting centers during the lockdown in France	-	-
Services	Temporary shutdown of two sites, following a decision by the customer, and subsequent reopening	Delays and an increase in overheads	Decrease in the demand for local services in the summer of 2020 (usually a peak period)
Innovation & Systems			
DSI	Business resumed rapidly at La Seyne-sur-Mer, but was more sluggish due to the lockdown in the first quarter	-	-
BERTIN	-	-	Possible delays in the signing of certain public contracts; more complicated sales approach regarding exports

Financial restructuring

1) Conciliation procedure approved in 2020

Heavily impacted by losses incurred in 2019, in particular following the default of a civil engineering partner on several construction contracts in the United Kingdom and difficulties in executing a contract in the Middle East, and the resulting decrease in liquidity, the Group initiated a financial restructuring process in close collaboration with all its financial partners, including the banking consortium, credit insurers (which issue bank guarantees), the Government and Martin GmbH (CNIM's long-standing industrial partner).

As a result of the process, which led to the initiation of a conciliation procedure on January 2, 2020, the parties signed an initial agreement in March 2020 before finalizing a conciliation protocol in April 2020. The protocol was approved by the French Commercial Court (*Tribunal de Commerce de Paris*) on June 23, 2020.

The financial restructuring measures are as follows:

		Type	Principal amount (in € millions)	Interest rate	Maturity/effective date	Counterparty
Bridge loan backed by sale of registered office premises	(1)	Financing	30.6	Eurib+5%	-	
			27.5			*Banking consortium*
			3.1			*Government (development fund)*
Bond	(2)	Financing	45.0	5%	Dec. 31, 2025	Martin GmbH
MT financing		Financing	43.8	Eurib+6%	April 30, 2021	
			35.0			*Banking consortium*
			8.8			*Government (development fund)*
New bank guarantee	(3)	Guarantee	222.5	-	March 31, 2021	Banking consortium
Sharjah bank guarantee		Guarantee	18.2	-	-	First Abu Dhabi Bank

(1) On April 17, 2020, the Group sold its registered office premises in Paris for €41.3 million, and repaid the bridge loan associated with the sale.
(2) The bond was subscribed in cash for €25 million and by offsetting against the short-term €20 million loan that Martin GmbH had granted to CNIM in October 2019.
(3) These bank guarantees cover the performance bonds that the Group is required to provide to enter into construction contracts as well as the advance payment guarantees required to obtain advances from certain customers (representing €63 million).
The maturity/effective date indicated in the table above refers to the date the guarantee may be called.
A significant portion of these bank guarantees is covered by a counter-guarantee from BPI Assurance Export (up to 50% of the guarantee given). The counter-guarantee, amounting to €134 million, was obtained during the second half of 2019 to facilitate the issue of new guarantees by the banking consortium.

Alongside these measures CNIM Groupe made the following commitments:

- to secure the commitments of Martin Gmbh, the banking partners, credit insurers and the Government by pledging the securities of all Group subsidiaries and placing the French subsidiaries in trust, entitling the beneficiaries to (i) scrutinize or veto decisions that could affect their rights or interests and (ii) to take control of the subsidiaries if adverse events occur or after a 12-month period. Given the facts and circumstances at the date the French subsidiaries were placed in trust, CNIM Groupe has maintained operational control.
- to obtain backing from one or several partners for all of its business activities (Environment & Energy and Innovation & Systems operating segments) to enable it to continue operating.

The prime objective was to provide overall backing for the Group, by finding one or several buyers of all the securities or, alternatively, of a majority stake in CNIM Groupe SA. However, the practical details may vary depending on the circumstances (cumulative acquisition of the equity interests of the main subsidiaries or partial backing for a particular operating segment) and may include the sale of individual assets.

In addition, the French government commission set up to assist companies in financial difficulty (*Commission départementale des Chefs des Services Financiers*) has granted the Group a moratorium on the payment of social security contributions and tax amounting to €13 million (payments to be made progressively over one year from May 2020).

Finally, the Group's long-standing credit lines (renewable credit line and financing for the acquisition of Exensor) are no longer subject to covenants, which require repayment on demand if the borrower breaches the covenant conditions.

2) Ongoing conciliation protocol

As there were no offers meeting the various criteria for validation by all parties involved, in January 2021, it became apparent that the financial restructuring program could not be completed and that an alternative (involving either overall or partial backing) had to be found.

At the same time, the losses incurred and use of advances and down payments received from customers as a result of the health crisis in 2020, which were not replaced by new major contracts, increased cash flow requirements for 2021.

Consequently, given the need to replenish equity, the Group decided to pursue its financial restructuring and requested the initiation of a second conciliation procedure, in agreement with its creditors, which was approved by the French Commercial Court on February 4, 2021.

Subject to effective approval by the French Commercial Court, the protocol, which was signed by all stakeholders on May 21, 2021, provides for the following measures:

		Type	Principal amount (in € millions)	Interest rate	Maturity/ effective date	Counterparty
New financing in the form of a participating loan	(1)	Financing	40.0	4.75%	10 years	Government
Conversion of existing financial debt into bonds redeemable in shares (ORA)	(2)	Conversion into equity	163.0	Euribor +4.75% to 5%	6.5 years	Banking consortium and Martin GmbH
Restructuring of MT financing	(3)		43.8			Banking consortium, Government
Of which repayment on sale of O&M		*Repayment*	*21.9*			
Of which rescheduling		*Rescheduling*	*21.9*	*Eurib+6%*	*2.5 years*	
Bond restructuring	(4)	Restructuring	45.0			Martin GmbH
Of which conversion into ORA (included in point 2)		*Conversion*	*20.0*			
Of which rescheduling		*Rescheduling*	*7.5*	5%	*2.5 years*	
Of which redemption in LAB shares		*Repayment*	*17.5*			
New bank guarantee	(5)	Guarantee	228.3	-	March 31, 2022	Banking consortium and insurers

(1) On March 25, 2021, the French government granted a six-month bridge loan of €40 million in rescue aid, bearing interest at Euribor plus 4% (zero floor). This loan will be replaced by a participating loan of the same principal amount, maturing in 10 years, with an annual interest rate of 4.75% and a grace period of five years.
(2) Existing financial debt including the syndicated RCF and Exensor medium-term loan (for €138 million), the Martin GmbH bond (for €20 million) and certain bank overdrafts will be converted into 16,300,000,000 bonds redeemable in shares (ORA), each with a par value of €0.01 and a maturity of 6.5 years.
The bonds redeemable in shares are converted to equity upon exercise of an option by the bondholder in the case of default, or automatically after 6.5 years. These bonds may be repaid in cash at any time, at CNIM's discretion. Payment is only due in the event of compulsory liquidation or if CNIM decides to initiate a safeguard procedure.
The bonds redeemable in shares break down into two tranches: tranche A of €35 million, bearing interest at Euribor plus 5% (zero floor), including 1% payable annually and 4% capitalizable, and tranche B of €128 million, bearing interest at Euribor plus 4.75% (zero floor), including 0.75% payable annually and 4 % capitalizable).
Capitalizable interest is only due in the event of repayment in cash.
If the bonds redeemable in shares are fully repaid in cash, the bondholders will also receive an additional flat-rate remuneration of €20 million.
If they are converted to equity, the conversion parity price would be 0.065 newly-issued ordinary shares for 100 bonds.
Given these characteristics, CNIM will recognize these instruments under equity. Only interest payable annually will give rise to the recognition of a liability (of approximately €8.5 million).
(3) Repayment of the medium-term loan granted by the government (development fund) and the banking consortium was not due at April 30, 2021. The loans will be amortized on a straight-line basis and at each quarter as of December 11, 2021 and settled on September 11, 2023.
Proceeds from the disposal of CNIM's O&M and Biomasse business expected during the first half of 2021 will be allocated, as a priority, to repaying half of the principal amounts of these loans. Half of the proceeds from the sale of Bertin IT (or a minimum of €2 million) will be allocated to repaying the principal amount of these loans.
(4) The Martin GmbH bond will be converted into bonds redeemable in shares for €20 million (considered equal to the amount of existing debt).
CNIM will increase the share capital of LAB by €17.5 million (based on the 2020 financial statements of LAB, adjusted at the reporting date) for the benefit of Martin GmbH, in exchange for the settlement of an equivalent portion of the bond.
Following this transaction, GmbH will obtain a 49% minority stake in LAB, in which CNIM will maintain control under IFRS.

Amortization of the outstanding balance of the bond amounting to €7.5 million will be rescheduled and recognized on a straight-line basis at each quarter as of June 11, 2022, to be full repaid by September 11, 2023.

(5) These bank guarantees cover the performance bonds that the Group is required to provide to enter into the construction contracts forecast in the business plan for 2021 and early 2022. The maturity/effective date indicated in the table above refers to the date the guarantee may be called. These bank guarantees supplement existing guarantees on ongoing contracts. They will be maintained on condition that CNIM signs two new EPC contracts by December 1, 2021.

To summarize, the protocol has four key components (i) conversion of existing financial debt into bonds redeemable in shares qualifying as equity, (ii) divestment of CNIM's O&M and Bertin IT business generating a capital gain and use of the proceeds to partially repay medium-term debt, (iii) issuance of the participating loan and (iv) renewal of bank guarantees, which will have the following effects on CNIM's equity and liabilities:

- Reduction in financial debt by almost €160 million,
- Replenishment of equity by almost €200 million.

In addition, the protocol provides for:

- Implementation of an asset disposal plan at the end of 4.5 years to generate cash for CNIM Group and enable it to pay off its creditors;
- A performance-based remuneration scheme for employees and managers, the details of which are currently under discussion, subject to a vote by shareholders at their Annual General Meeting.

The bonds redeemable in shares, existing trusts and bank guarantees will be subject to the usual default clauses, as well as cross default clauses relating to Soluni, the holding company with a majority stake in CNIM Groupe. The cross default clauses relating to Soluni cover four scenarios: Soluni (i) decides to no longer support CNIM's financial restructuring, (ii) defaults on its payment obligations on financial debt, (iii) is subject to a court-ordered insolvency procedure (*procédure collective*) and (iv) initiates legal proceedings to prevent or delay the repayment of its financial debt or call into question the validity or effectiveness of the guarantees it granted.

Asset disposals

As part of its financial restructuring and the financial backing and divestment program reported in the press release of April 29, 2020, the Group undertook the following divestments:

(in € millions)		Date	Proceeds from disposals net of transaction costs	Accounting gains or losses
Paris registered office premises		April 17, 2020	40.7	31.9
Non-controlling interests in DWS, HWS, WWS	(1)	July 23, 2020	1.5	(1.4)
Bertin Energie Environnement business	(2)	Sept. 30, 2020	*1.3*	*(0.1)*
Non-controlling interest in Technoplus Industrie		Nov. 4, 2020	2.0	(3.4)

(1) The Group entered into an agreement to sell its indirect non-controlling interests in Dudley Waste Services Ltd (DWS), Hanford Waste Services Holding Ltd (HWS) and Wolverhampton Waste Services Ltd (WWS), owners of waste-to-energy processing plants in the United Kingdom, to the investment fund iCON Infrastructure. The conditions precedent to the agreement were fulfilled on July 23, 2020.
(2) The Group sold the Bertin Energie Environnement (BEE) business, comprising 70 engineers, to Naldeo Group. BEE provides customers additional expertise in technological consulting services, process engineering, industrial risk management, operating safety, industrial performance, renewable and decentralized power generation, as well as software and digital solutions.

As detailed in Note 3 "Assets held for sale", the process to sell the O&M, Biomasse and Bertin IT business is well advanced. The Group has signed the associated contracts, which will be finalized in the second quarter of 2021.

Change in governance

On July 31, 2020, at their General Meeting, the Shareholders of CNIM Groupe approved the project to change the legal status of CNIM Groupe to a public limited company incorporated in France (*Société anonyme*) with a Board of Directors.

Consequently, the terms of office of members of the Management Board and Supervisory Board were terminated. The Company is now managed and governed by a Board of Directors and Chief Executive Officer to whom each Division Head directly reports.

At the General Meeting, Mr Nicolas Dmitrieff was appointed director and subsequently, at the Board of Directors' meeting, Chairman of the Board.

The appointment of Mr Burgard as CEO of CNIM Groupe at the Supervisory Board meeting of May 26, 2020, was confirmed by the Board of Directors on July 31, 2020. Mr Burgard had previously been appointed director by shareholders at their General Meeting on July 31, 2020.

NOTE 3 Assets held for sale

(in € thousands)	O&M	Biomass	Bertin IT	Dec. 31, 2020
Intangible assets	60	-	2,784	**2,843**
Goodwill	-	-	0	**0**
Property, plant and equipment	1,607	-	369	**1,977**
Right-of-use assets	20	-	283	**303**
Equity-accounted investments	-	1,863	-	**1,863**
Other non-current financial assets	2,425	9,918	16	**12,359**
Deferred tax assets	2,712	-	173	**2,885**
NON-CURRENT ASSETS	**6,825**	**11,781**	**3,624**	**22,230**
Inventories and work in progress	1,719	-	87	**1,806**
Advances and down payments made on orders	348	-	19	**367**
Trade and other receivables	22,419	-	2,007	**24,425**
Accrued income from contracts in progress	3,834	-	538	**4,373**
Social security and tax receivables	5,474	-	763	**6,238**
Other current operating assets	2,233	-	176	**2,409**
Cash and cash equivalents	8,387	-	1,712	**10,099**
CURRENT ASSETS	**44,414**	**-**	**5,302**	**49,716**
TOTAL ASSETS HELD FOR SALE	**51,239**	**11,781**	**8,926**	**71,946**

(in € thousands)	O&M	Biomass	Bertin IT	Dec. 31, 2020
Borrowings and debt	-	-	60	60
Non-current lease liabilities	0	-	227	227
Provisions for retirement and other employee benefits	1,736	-	1,088	2,824
Other non-current provisions	100	-	575	675
Deferred tax liabilities	274	-	12	286
NON-CURRENT LIABILITIES	2,110	-	1,962	4,072
Current financial liabilities	5	-	60	65
Current lease liabilities	23	-	59	82
Current provisions	4,426	-	2	4,428
Trade and other payables	12,094	-	867	12,960
Deferred income from contracts	4,731	-	3,018	7,748
Social security and tax payables	6,481	-	3,208	9,689
Other current operating liabilities	261	-	190	451
CURRENT LIABILITIES	28,020	-	7,404	35,424
LIABILITIES HELD FOR SALE	**30,130**	**-**	**9,366**	**39,497**

At December 31, 2020, the following asset disposals were underway:

- O&M and Biomass business in the Environment & Energy operating segment;
- Bertin IT in the Innovation & Systems operating segment.

Together, these disposals account for annual revenue of approximately €85 million, approximately 680 employees and an aggregate debt-free, cash-free enterprise value of approximately €76 million.

The Group intends to finalize the sales in the first half of 2021.

O&M

The Group entered into exclusive negotiations with Paprec for the sale of its O&M business, which groups together its subsidiaries specialized in the operation and maintenance of waste-to-energy processing plants.

Biomass

The Group entered into exclusive negotiations with the investment fund PEARL Infrastructure Capital for the sale of the biomass business of the Akuo Group in mainland France, which includes CNIM Groupe's non-controlling interests in the project companies Kogeban and CBEM, and in the operation and maintenance company Picardie Biomasse Energie.

Bertin IT

The Group entered into exclusive negotiations with ChapsVision for the sale of Bertin IT and Vecsys, subsidiaries of Bertin Technologies specialized in advanced software solutions for cyber-security, cyber intelligence, strategic intelligence and voice recognition.

NOTE 4 Consolidation scope

A. Main fully consolidated companies at December 31, 2020

COMPANY	HEADQUARTERS	% CONTROL
Environment and Energy		
Babcock Services	Morocco	100%
CNIM 6 (ex BWH)	France	100%
CNIM Azerbaijan	Azerbaijan	100%
CNIM Activ'emploi	France	100%
CNIM Babcock Maroc	Morocco	99.86%
CNIM Centre France	France	100%
CNIM Clugston (Avonmouth) Ltd(2)	United Kingdom	100%
CNIM Clugston (Earls Gate) Ltd(2)	United Kingdom	100%
CNIM Clugston (Leeds) Ltd(2)	United Kingdom	100%
CNIM Clugston (Lincolnshire) Ltd(2)	United Kingdom	100%
CNIM Clugston (Lostock) Ltd(2)	United Kingdom	100%
CNIM Clugston (Oxfordshire) Ltd(2)	United Kingdom	100%
CNIM Clugston (Ridham) Ltd(2)	United Kingdom	100%
CNIM Clugston (Shropshire) Ltd(2)	United Kingdom	100%
CNIM Clugston (Staffordshire) Ltd(2)	United Kingdom	100%
CNIM Clugston (Wilton) Ltd(2)	United Kingdom	100%
CNIM Construction LLC	United Arab Emirates	100%
CNIM ECS	United Kingdom	100%
CNIM Engineers	United Arab Emirates	100%
CNIM Environnement & Energie EPC(1)	France	100%
CNIM Environnement & Energie O&M	France	100%
CNIM Environnement & Energie Participations	France	100%

COMPANY	HEADQUARTERS	% CONTROL
CNIM Environnement & Energie Services	France	100%
CNIM Environnement & Energie	France	100%
CNIM India Private Ltd	India	51%
CNIM Industrie	France	100%
CNIM Insertion	France	100%
CNIM La Collette	United Kingdom	100%
CNIM Middle East	United Arab Emirates	100%
CNIM Netherlands BV	Netherlands	100%
CNIM Netherlands Industrie BV	Netherlands	100%
CNIM Ouest Armor	France	100%
CNIM Paris Batignolles	France	100%
CNIM Private Companies Management LLC	United Arab Emirates	100%
CNIM RUS	Russia	100%
CNIM Saudi	Saudi Arabia	98%
CNIM Switzerland GmbH	Switzerland	100%
CNIM Terre Atlantique	France	100%
CNIM Thiverval Grignon	France	100%
CNIM UK	United Kingdom	100%
CNIM US Corp	United States	100%
Cometal France	France	100%
LAB SA	France	100%
LAB GmbH	Germany	100%
LAB USA Holding	United States	100%
LAB Washington	United States	100%
MES Environmental	United Kingdom	100%
SUNCNIM	France	55.56%
Innovation & Systems		
AMI Enterprise Intelligence Software Ltd (Go Albert UK)	United Kingdom	100%
ARKONIA Holdings	United Kingdom	100%
Bertin Corp	United States	100%
Bertin GmbH	Germany	100%
Bertin IT	France	100%
Bertin Italia SRL	Italy	63%
Bertin Technologies	France	100%
Bertin Vietnam	Vietnam	100%
CNIM Air Space	France	85%
CNIM Canada	Canada	100%
CNIM Hong-Kong	Hong Kong	99.99%
CNIM Innovation & Systèmes	France	100%
CNIM Singapore	Singapore	100%
CNIM Systèmes industriels	France	100%
CNIM Transport Equipment	China	100%

COMPANY	HEADQUARTERS	% CONTROL
CNIM Transport France	France	100%
CNIM Transport Holding	France	100%
Exensor Technology AB	Sweden	100%
Exensor Technology GmbH	Germany	100%
Exensor Technology Ltd	United Kingdom	100%
Go Albert Africa	Morocco	99.90%
Vecsys	France	99.38%
Winlight System Finance	France	100%
Other		
CNIM Mutual Services	France	100%
SCI located 35 rue de Bassano	France	100%

(1) Company created in connection with the Group's legal restructuring, with no effect on the consolidated financial statements.
(2) These shell companies are used by the Group and the civil engineering company Clugston as vehicles for invoicing services performed under joint-venture construction contracts. When Clugston fell into administration, CNIM increased its percentage ownership in these companies from 50% to 100% as CNIM took over Clugston's civil engineering contract obligations. Upon completion of these contracts by the Group, the shell companies will be wound up. These companies are exempt from the obligations set out in Section 479A of the UK Companies Act 2016 with regard to the audit of their financial statements.

B. Equity-accounted investments at December 31, 2020

COMPANY	HEADQUARTERS	% CONTROL
Environment and Energy		
CCUAT	France	49.88%
CSBC	Jersey	50%
ELLO	France	51%
Picardie Biomasse Energie	France	44.95%

All equity-accounted investments are jointly controlled.

C. Deconsolidations of the period

COMPANY	HEADQUARTERS	Consolidation method at Dec. 31, 2019	% Control at Dec. 31, 2019
Environment and Energy			
CNIM Bahrein (liquidation)	Bahrain	Full consolidation	100%
LAB Geodur UK (liquidation)	United Kingdom	Full consolidation	100%
LAB Hoffman (liquidation)	United States	Full consolidation	100%
LAB Red Wing (liquidation)	United States	Full consolidation	100%
CNIM Development (sale)	Luxembourg	Equity-accounted	50%
Dudley Waste Services Ltd (DWS Ltd) (sale)	United Kingdom	Equity-accounted	33.33%
Hanford Waste Services Holding Ltd (HWS Ltd) (sale)	United Kingdom	Equity-accounted	34.75%
Wolverhampton Waste Services Ltd (WWS Ltd) (sale)	United Kingdom	Equity-accounted	33.33%
Innovation & Systems			
Technoplus Industries (sale)	France	Equity-accounted	34.79%

NOTE 5 Segment information

Information by operating segment

IFRS segment information reviewed by the Group's chief operating decision maker is presented below.

(in € thousands)	Environment & Energy		Innovation & Systems		Other		TOTAL	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Revenue	446,696	391,684	185,303	196,704	894	-	632,893	588,388
Operating income	(97,924)	(188,099)	(17,836)	6,403	16,331	-	(99,429)	(181,696)
Share of net income of equity-accounted investments	(235)	2,107	427	112	-	-	192	2,219
Operating income after share of net income of equity-accounted investments	(98,159)	(185,993)	(17,409)	6,515	16,331	-	(99,237)	(179,477)

(in € thousands)	Environment & Energy		Innovation & Systems		Other		Total	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Intangible assets	1,631	2,117	22,066	21,772	1,305	-	25,002	23,889
Goodwill	31,717	31,717	31,167	41,035	-	-	62,884	72,752
Property, plant and equipment	8,421	15,045	26,221	37,135	18,723	-	53,364	52,180
Right-of-use assets	5,972	8,033	6,753	14,349	5,891	-	18,616	22,382
Other non-current financial assets	2,356	15,850	1,313	1,797	1,505	-	5,174	17,647

Breakdown of revenue by geographic area

The geographical breakdown is based on the country in which contracts are performed.

(in € thousands)	Dec. 31, 2020				Dec. 31, 2019			
	France	United Kingdom	Rest of the world	Total	France	United Kingdom	Rest of the world	Total
Revenue	330,349	120,543	182,002	632,893	304,932	134,642	148,814	588,388

(in € thousands)	Dec. 31, 2020				Dec. 31, 2019			
	France	United Kingdom	Rest of the world	Total	France	United Kingdom	Rest of the world	Total
Intangible assets	20,950	(0)	4,053	25 002	20,301	180	3,408	23,889
Property, plant and equipment	43,105	82	10,177	53 364	40,411	1,186	10,583	52,180
Right-of-use assets	16,932	155	1,530	18 616	19,644	107	2,631	22,382
Other non-current financial assets	4,192	(114)	1,097	5 174	14,587	2,315	745	17,647

NOTE 6 Revenue and backlog

A. Breakdown of revenue

The Group’s revenue per business division breaks down as follows:

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
EPC	299,579	173,438
LAB	35,167	70,497
Services	39,890	63,466
O&M	72,059	84,284
Environment & Energy	**446,696**	**391,684**
Industrial Systems Division	96,640	105,690
Bertin	88,663	91,013
Innovation & Systems	**185,303**	**196,703**
Other	**895**	**0**
TOTAL	**632,893**	**588,388**

The breakdown matches the segment information for revenue presented in Note 5, in accordance with IFRS 8.

The Group's two operating segments have very different activities.

- Environment & Energy: energy offering for all business activities, with turnkey contracts, waste-to-energy plant operations, and service agreements;
- Innovation & Systems: mechanics, optics and electromechanics offering, with research and development, software design, development and production, and small or medium-sized production runs.

Four business divisions have been defined within the Environment & Energy operating segment:

- EPC – Turnkey plants
- LAB
- Services
- O&M

Two business divisions have been defined within the Innovation & Systems operating segment:

- Industrial Systems division
- Bertin and subsidiaries

The EPC division designs and manufactures "turnkey" biomass and household waste-to-energy processing plants. CNIM uses proprietary technologies that meet the most stringent standards in terms of performance and control of environmental impacts, with a multi-disciplinary approach.

The LAB division offers flue gas treatment systems for waste-to-energy plants, flue-gas scrubbing systems for merchant ship engines, and related services.

The Services division offers the optimization, maintenance and refurbishment of biomass and household waste-to-energy production plants and combustion plants.

The O&M division operates and maintains biomass and household waste-to-energy production plants and systems for the removal and recovery of heavy metals from incinerator ash residues.

The Industrial Systems division provides a unique offer for the development, production, installation and maintenance of innovative equipment and systems. It also executes manufacturing subcontracting agreements for various cutting-edge industries.

The Bertin & Subsidiaries division works in three business lines: Systems & instrumentation, Information technologies and Consulting, engineering and innovative solutions for energy and the environment, industry and the territories.

CNIM Group's contracts with customers generally only have one service obligation. Revenue is recognized on a percentage-of-completion basis insofar as the CNIM Group provides specific equipment, control of which is gradually transferred to the customer, or it provides services from which the customer benefits as they are performed. Percentage of completion is generally based on costs.

In the O&M division, revenue is measured based on the amount CNIM has the right to invoice. When the contract provides for a "Major Maintenance and Renovation" obligation, revenue for this obligation is recognized separately from the "Operating" service obligation.

B. Backlog

Group backlog reflects revenue to be recognized when outstanding performance obligations are satisfied (in particular following the receipt of service orders or when suspensive conditions are fulfilled) and financed.

Change in backlog over the period was as follows:

(in € thousands)	Dec. 31, 2019	Order intake	Revenue	Change in scope	Dec. 31, 2020
Environment & Energy	1,113,233	234,586	446,696	-	901,124
Innovation & Systems	314,731	169,761	185,303	(4,011)	295,177
Other	-	895	895	-	-
TOTAL	**1,427,965**	**405,240**	**632,893**	**(4,011)**	**1,196,301**

Approximately 51% of backlog at December 31, 2020 should generate revenue by 2021 and 97% of the remaining amount within the next five years.

Backlog corresponding to groups of assets held for sale (see Note 3) amounted to €136.9 million at December 31, 2020.

NOTE 7 Research and development

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Research and development expenses recognized in expenses [1]	12,274	13,764
Capitalized research and development expenses [2]	2,892	1,937

(1) Including amortization of capitalized development programs.
(2) Development costs capitalized over the period (see Note 12).

NOTE 8 Non-recurring operating income and expenses

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Gains or losses from disposals of business operations or groups of assets	27,845	356
Reorganization, restructuring or adaptation costs	(13,288)	(2,491)
Impairment	(12,479)	(24,149)
Other	(359)	(4,548)
NON-RECURRING OPERATING INCOME (EXPENSE)	**1,719**	**(30,832)**

Transactions of material amounts that do not contribute to recurring operating performance are classified under 'other operating income' and 'other operating expenses'.

- They may include:
- gains or losses from disposals of business operations or groups of assets;
- acquisition and integration costs relating to business combinations;
- restructuring costs resulting from restructuring plans whose unusual and significant nature may hinder the clarity of recurring operating income;
- impairments of property, plant and equipment or intangible assets of material amounts;
- estimated or actual costs relating to factors independent of operating effectiveness such as political decisions.

In 2020, the Group recognized the following items under non-recurring operating income (expense):

- gains from asset disposals over the period, primarily those relating to the sale of the Group's registered office premises, and losses from the sale of non-controlling interests and the Energy & Environment engineering and consulting business of the subsidiary Bertin Technologies (see Note 2);
- impairment of €1.9 million for Biomass business, prior to its reclassification to 'assets held for sale' (see Note 3) and impairment of an aggregate €10 million for Industrial Systems and Bertin Division goodwill (see Note 13);
- costs relating to the Group's financial restructuring.

In 2019, the Group recognized the following items under non-recurring operating income (expense):

- costs relating to the Group's legal restructuring;

Asset impairment relating to:

- the cost of setting up and pre-executing a contract previously awarded to the Group, but subject to final approval by a local political body. Notice to proceed has again been postponed, raising uncertainty as to whether the contract will be implemented;
- "Geodur" assets, after factoring in a lower price index for non-ferrous metals in the medium-term forecasts, given 2019 changes in the index. Fixed assets were written off or their carrying amount reduced to their resale value as confirmed by third parties. The impairment loss amounted to an aggregate €15.1 million (see Note 12 and Note 14).
- Compensation costs paid in connection with the Bahrain contract following a ruling by the International Court of Arbitration.

NOTE 9 Financial income and expenses

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Interest income from cash equivalents	22	63
Other interest and similar income	773	1,022
Interest and financial expense [(1)]	(8,323)	(3,176)
Cost of net debt	**(7,527)**	**(2,091)**
Foreign exchange gains	15,821	4,693
Foreign exchange losses	(34,548)	(8,820)
Foreign exchange gains (losses) [(2)]	**(18,727)**	**(4,127)**
Other financial income and expenses [(3)]	(1,712)	129
FINANCIAL INCOME (EXPENSE)	**(27,966)**	**(6,089)**

(1) Of which €423 thousand in interest expense relating to lease liabilities in 2020 and €493 thousand in 2019 (see Note 26).
(2) Of which mainly -€8.4 million relating to the recognition of forward points relating to derivative instruments set up to hedge future commercial contract flows, as hedging relations are accounted for based on spot and not forward rates, -€1.6 million relating to the factoring in the credit risk specific to CNIM and counterparties in the fair value of derivative instruments and -€5.4 million relating to the remeasurement of intragroup positions (mainly a current account with Geodur in USD).
(3) Income from investments and provision allowances or reversals for impairment of financial assets and, in 2020, additional guarantee costs.

NOTE 10 Income tax expense

A. Breakdown of current/deferred tax

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Current tax	(4,333)	(4,605)
Deferred tax	(949)	(11,898)
INCOME TAX EXPENSE	**(5,283)**	**(16,503)**

B. Reconciliation of effective and theoretical income tax expense

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Operating income (loss)	(99,429)	(181,696)
Financial income (expense)	(27,966)	(6,089)
Consolidated pretax income	**(127,395)**	**(187,785)**
Tax rate effective in France	32.02%	34.43%
Theoretical income tax expense at the tax rate effective in France	**40,792**	**64,655**
Effect of differences in local income tax rates	423	260
Effect of tax loss carryforwards [(3)]	(40,951)	(82,299)
Taxes not levied on a specific tax base [(1)]	(1,114)	(1,100)
Tax credits [(2)]	3,532	4,204
Non-deductible taxes	(71)	(36)
Other permanent differences [(4)]	(7,833)	(1,547)
Other	(61)	(639)
Effective income tax expense	**(5,283)**	**(16,503)**
Effective income tax rate	**-4.15%**	**-8.79%**

(1) Mainly French value-added business tax (CVAE).
(2) Effect of tax credits recognized in operating income and exempt from tax.
(3) Relating to unrecognized tax consolidation losses in France.
(4) In 2020, mainly due to the impairment of Industrial Systems Division and Bertin Division goodwill (see Note 13) and proceeds from sales.

C. Breakdown of deferred taxes

a. Deferred tax assets

	Dec. 31, 2020			Dec. 31, 2019
(in € thousands)	< 1 year	> 1 year	TOTAL	TOTAL
Temporary differences between tax and accounting base of assets and liabilities	1,412	1,735	3,147	5,539
Provisions for retirement benefits		175	175	183
Recognition of tax loss carryforwards	14	1,877	1,891	2,013
Reclassified to assets held for sale [1]	(1,198)	(1,735)	(2,933)	-
Other [2]	(50)		(50)	8
TOTAL	**178**	**2,052**	**2,230**	**7,743**
Effect of offsetting assets/liabilities by entity			105	(1,251)
TOTAL DEFERRED TAX ASSETS			**2,335**	**6,492**

(1) Before limitation of deferred tax assets on the tax consolidation scope in France
(2) Mainly includes deferred tax assets relating to finance leases and French value-added business tax (CVAE).

Tax losses carried forward: deferred tax assets are recognized for tax losses carried forward when their use in subsequent reporting periods is deemed probable. At December 31, 2020, tax losses of €145.9 million for the tax consolidation scope in France were not recognized. Tax losses of €1.2 million were recognized, excluding assets held for sale, mainly for the Exensor subsidiaries of the Bertin Division. It is expected that they will be used within two or three years.

b. Deferred tax liabilities

	Dec. 31, 2020			Dec. 31, 2019
(in € thousands)	< 1 year	> 1 year	TOTAL	TOTAL
Temporary differences between tax and accounting base	(270)		(270)	(908)
Temporary differences between items recognized on a percentage-of-completion basis and contract completion basis	(193)		(193)	(911)
Tax-driven provisions		(69)	(69)	(118)
Reclassified to liabilities held for sale	334	-	334	-
Other	(1,313)		(1,313)	(30)
TOTAL	**(1,442)**	**(69)**	**(1,511)**	**(1,967)**
Effect of offsetting assets/liabilities by entity			(105)	1,251
TOTAL DEFERRED TAX LIABILITIES			**(1,616)**	**(714)**

NOTE 11 Earnings per share

Basic earnings per share

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Net income attributable to owners of the parent	(130,922)	(200,702)
Weighted average number of ordinary shares[1]	2,824,764	2,826,922
Earnings per share (€)	**(46.35)**	**(71.00)**

(1)Number of shares excluding treasury shares (see Note 21). There are no dilutive equity instruments.

Diluted earnings per share

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Net income attributable to owners of the parent	(130,922)	(200,702)
Weighted average number of ordinary shares[(1)]	2,824,764	2,826,922
Weighted average number of ordinary shares used to calculate diluted earnings per share	2,824,764	2,826,922
Diluted earnings per share (€)	**(46.35)**	**(71.00)**

(1) Number of shares excluding treasury shares (see Note 21). There are no dilutive equity instruments.

NOTE 12 Intangible assets

(in € thousands)	Dec. 31, 2019	Acquisitions / Increases / Additions	Disposals / Decreases / Reversals	Translation and other adjustments	Reclassified to assets held for sale	Dec. 31, 2020
Capitalized development costs	52,494	2,892	-	2,443	(16,033)	41,795
Concessions, patents and licenses	11,048	100	(267)	(35)	(474)	10,372
Other intangible assets	26,653	1,206	(4,433)	273	(741)	22,957
Intangible assets in progress	11,212	3,345	(447)	1,535	-	15,490
Gross value	**101,406**	**7,542**	**(5,147)**	**4,215**	**(17,248)**	**90,614**
Capitalized development costs	(44,871)	(4,552)	-	(268)	13,785	(35,906)
Concessions, patents and licenses	(9,980)	(265)	267	62	436	(9,479)
Other intangible assets	(21,951)	(1,019)	3,423	(149)	184	(19,512)
Intangible assets in progress	(715)	(155)	-	2	-	(715)
Amortization / impairment	**(77,517)**	**(5,991)**	**3,690**	**(352)**	**14,405**	**(65,612)**
Capitalized development costs	7,623	(1,661)	-	2,175	(2,248)	5,889
Concessions, patents and licenses	1,068	(165)	-	28	(38)	893
Other intangible assets	4,702	188	(1,010)	124	(558)	3,445
Intangible assets in progress	10,497	3,189	(447)	1,536	-	14,776
CARRYING AMOUNT	**23,889**	**1,551**	**(1,457)**	**3,863**	**(2,843)**	**25,002**

(in € thousands)	Dec. 31, 2018	Acquisitions / Increases / Additions [(1)]	Disposals / Decreases / Reversals	Change in consolidati on scope	Translation and other adjustments	Dec. 31, 2019
Capitalized development costs	52,644	1,937	(2,576)	23	467	52,494
Concessions, patents and licenses	10,788	178	-	113	(31)	11,048
Other intangible assets	26,594	1,481	(1,680)	(0)	257	26,653
Intangible assets in progress	8,862	4,209	-	-	(1,860)	11,212
Gross value	**98,889**	**7,806**	**(4,255)**	**136**	**(1,167)**	**101,406**
Capitalized development costs	(43,467)	(4,029)	2,576	(12)	60	(44,871)
Concessions, patents and licenses	(9,698)	(315)	-	-	33	(9,980)
Other intangible assets	(22,135)	(2,423)	1,680	(113)	1,040	(21,951)
Intangible assets in progress	(715)	-	-	-	-	(715)
Amortization / impairment	**(76,015)**	**(6,767)**	**4,255**	**(125)**	**1,134**	**(77,517)**
Capitalized development costs	9,177	(2,091)	-	10	527	7,623
Concessions, patents and licenses	1,090	(137)	-	113	2	1,068
Other intangible assets	4,459	(941)	-	(113)	1,297	4,702
Intangible assets in progress	8,148	4,209	-	-	(1,860)	10,497
CARRYING AMOUNT	**22,874**	**1,039**	**-**	**11**	**(34)**	**23,889**

(1) In 2019, of which impairment of Geodur business for €0.8 million recognized under 'non-recurring operating income (expense)'.

NOTE 13 Goodwill

A. Year-on-year change

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
At January 1 (carrying amount)	**72,752**	**70,795**
Foreign currency translation adjustments (1)	753	(299)
Goodwill impairment (2)	(10,000)	-
Change in consolidation scope (3)	-	2,256
Deconsolidations, assets sold (4)	(620)	-
At December 31 (carrying amount)	**62,884**	**72,752**

(1) Translation differences on Exensor goodwill.
(2) Impairment of goodwill of Bertin Systems & Advisory for €4.8 million, Bertin IT for €1.2 million and the Industrial Systems Division for €4 million.
(3) In 2019, goodwill of the newly-acquired Airstar Aerospace and Cometal France for €1,710 thousand and €546 thousand, respectively.
(4) In 2020, deconsolidation of goodwill relating to the sale of the engineering and advisory business of Bertin Division's Environment & Energy operating segment (see Note 2).

B. Breakdown by CGU

(in € thousands)	Dec. 31, 2020			Dec. 31, 2019		
	Gross amount	Impairment	Carrying amount	Gross amount	Impairment	Carrying amount
Environment & Energy – Construction CGU	31,171	-	**31,171**	31,171	-	**31,171**
Environment & Energy - Services/CBS CGU	546	-	**546**	546	-	**546**
Environment & Energy	**31,717**	**-**	**31,717**	**31,717**	**-**	**31,717**
Bertin Systems & Advisory CGU	36,000	(4,832)	**31,168**	35,868	-	**35,868**
Bertin IT CGU (1)	-	-	**-**	4,158	(3,000)	**1,158**
Industrial Systems Division CGU	4,010	(4,010)	**(0)**	4,010	-	**4,010**
Innovation et Systems	**40,009**	**(8,842)**	**31,167**	**44,035**	**(3,000)**	**41,035**
TOTAL	**71,726**	**(8,842)**	**62,884**	**75,752**	**(3,000)**	**72,752**

(1) Reclassified to 'assets held for sale' in accordance with IFRS 5, as mentioned in Note 3 for a carrying amount of zero (gross amount of €4.2 million fully impaired at December 31, 2020).

C. Impairment tests

Impairment testing methods and the related assumptions are described in Note 1.B. g).

In the current context of the economic crisis due to the COVID-19 pandemic and difficulties specific to the Group, the Group tested its Cash Generating Units for impairment and revised its discount rates upwards.

Discount rate and long-term growth assumptions used

Discount rate by CGU	Dec. 31, 2020	Dec. 31, 2019
Environment & Energy – Construction CGU	13.1%	9.5%
Bertin Systems & Advisory CGU	11.0%	9.0%
Bertin IT CGU	10.9%	8.9%
Industrial Systems Division CGU	11.6%	8.4%

The Group used a perpetual growth rate of 2% for calculating value in use, unchanged compared with December 31, 2019.

Other assumptions and sensitivity

<u>Environment & Energy CGU</u>

Future cash flow projections relating to the CGU are based on the assumption that there will be three major orders per year, in line with the business plan approved by Management.

No impairment would be recognized if this assumption were reduced to two major orders per year.

Likewise, no impairment would be recognized for this CGU if the following assumptions were used:

- a discount rate increased by 50 basis points;
- a growth rate decreased by 100 basis points;
- normative operating income decreased by 10%.

Bertin Systems & Advisory CGU

At the interim reporting date (June 30, 2020), an impairment loss of €4.8 million was recognized for this CGU based on the existing business plan and a discount rate of 10.25%.

Following the impairment test performed for year-end reporting, based on updated assumptions, no further impairment was recognized.

Given the improvement in forecasts for this CGU, no additional impairment would be recognized if the following assumptions were used:

- a discount rate increased by 50 basis points;
- a growth rate decreased by 100 basis points;
- normative operating income decreased by 10%.

The calculation of the value in use of this CGU is primarily based on the assumption of normative research tax credit income of €4.3 million, which is 10% lower than the current amount. A decrease by an additional 20 basis points, resulting in 30% lower than the current amount, would lead to goodwill impairment of approximately €0.7 million.

Bertin IT CGU

At the interim reporting date (June 30, 2020), an impairment loss of €1.2 million was recognized for this CGU based on the existing business plan and a discount rate of 10.15%.

The assets of this CGU were reclassified to 'assets held for sale' at December 31, 2020 (see Note 3).

The aggregate value of assets in the Bertin IT CGU was calculated based on the expected price of the asset when the divestment process is completed.

Industrial Systems Division CGU

At the interim reporting date (June 30, 2020), an impairment loss of €4 million, representing the full amount of goodwill, was recognized for this CGU based on the existing business plan and a discount rate of 9.65%.

At December 31, 2020, the calculation of the value in use of this CGU was primarily based on the assumption of a return to profitability (in a normative financial year), with an estimated operating profit margin of 9% of revenue, achieved by strategically refocusing on more profitable, less risky activities.

The value in use of this CGU is sensitive to the following assumptions:

- a discount rate increased by 50 basis points: additional impairment of €1.7 million;
- a growth rate decreased by 100 basis point: additional impairment of €1 million;
- normative operating income decreased by 10%: additional impairment of €3.4 million.

NOTE 14 Property, plant and equipment

(in € thousands)	Dec. 31, 2019	Acquisitions / Increases / Additions	Disposals / Decreases / Reversals [1]	Translation and other adjustments	Reclassified to assets held for sale	Dec. 31, 2020
Land	8,552	2	(90)	(78)	-	8,386
Buildings	43,872	508	60	994	(997)	44,436
Technical facilities, equipment and tooling	81,297	1,606	(14,077)	(314)	(2,912)	65,585
Other property, plant and equipment	34,618	409	(495)	2 019	(2,156)	34,395
PP&E in progress and advances and down payments	11,812	11,622	(1,366)	(7,148)	(7)	14,912
Gross value	**180,151**	**14,147**	**(15,968)**	**(4,528)**	**(6,072)**	**167,714**
Land	(292)	(7)	-	-	-	(299)
Buildings	(29,786)	(1,749)	258	74	712	(30,490)
Technical facilities, equipment and tooling	(69,262)	(3,081)	13,581	2,462	1,690	(54,593)
Other property, plant and equipment	(27,242)	(2,528)	516	(1,404)	1,693	(28,966)
PP&E in progress and advances and down payments	(1,389)	-	1,366	23	-	-
Accumulated depreciation and impairment	**(127,972)**	**(7,365)**	**15,722**	**1,154**	**4,096**	**(114,349)**
Land	8,260	(5)	(90)	(78)	-	8,087
Buildings	14,086	(1,241)	318	1,067	(285)	13,946
Technical facilities, equipment and tooling	12,035	(1,475)	(496)	2 148	(1,221)	10,992
Other property, plant and equipment	7,376	(2,120)	21	614	(463)	5,429
PP&E in progress and advances and down payments	10,423	11,622	(0)	(7,125)	(7)	14,912
CARRYING AMOUNT	**52,180**	**6,782**	**(247)**	**(3,373)**	**(1,977)**	**53,364**

(1) In 2020, mainly relating to Géodur business.

(in € thousands)	Dec. 31, 2018	Acquisitions / Increases / Additions[1]	Disposals / Decreases / Reversals	Change in consolidation scope[2]	Translation and other adjustments[3]	Reclassified to assets held for sale [4]	Dec. 31, 2019
Land	8,700	-	(108)	-	3,422	(3,462)	8,552
Buildings	56,172	2,361	(585)	79	(8,307)	(5,849)	43,872
Technical facilities, equipment and tooling	82,827	2,708	(6,094)	546	1,311	-	81,297
Other property, plant and equipment	31,675	2,997	(162)	319	(212)	-	34,618
PP&E in progress and advances and down payments	4,940	5,379	-	3,004	(1,511)	-	11,812
Gross value	**184,314**	**13,446**	**(6,949)**	**3,948**	**(5,296)**	**(9,311)**	**180,151**
Land	(285)	(7)	-	-	-	-	(292)
Buildings	(32,380)	(2,088)	326	(28)	3,647	737	(29,786)
Technical facilities, equipment and tooling	(56,546)	(18,307)	4,418	(185)	1,358	-	(69,262)
Other property, plant and equipment	(25,135)	(2,442)	1,629	(181)	(1,114)	-	(27,242)
PP&E in progress and advances and down payments	(377)	(1,008)	-	-	(4)	-	(1,389)
Accumulated depreciation and impairment	**(114,723)**	**(23,851)**	**6,372**	**(394)**	**3,887**	**737**	**(127,972)**
Land	8,415	(7)	(108)	-	3,422	(3,462)	8,260
Buildings	23,792	274	(259)	51	(4,660)	(5,112)	14,086
Technical facilities, equipment and tooling	26,282	(15,599)	(1,677)	361	2,669	-	12,035
Other property, plant and equipment	6,541	556	1,467	138	(1,325)	-	7,376
PP&E in progress and advances and down payments	4,562	4,371	-	3,004	(1,514)	-	10,423
CARRYING AMOUNT	**69,591**	**(10,405)**	**(577)**	**3,554**	**(1,409)**	**(8,574)**	**52,180**

(1) In 2019, including the impairment of Geodur property, plant and equipment recognized under 'non-recurring operating income (expense)'.
(2) In 2019, acquisition of Airstar Aerospace and Cometal France.

(3) In 2019, reclassification of finance lease assets under IAS 17 as right-of-use assets for €3.7 million (gross value) and €1.8 million in accumulated depreciation at January 1, 2019, mainly relating to buildings.
(4) In 2019, reclassification to 'assets held for sale' of the building located rue de Bassano for a carrying amount of €8.6 million.

NOTE 15 Equity-accounted investments

A. Year-on-year change

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
At January 1	**25,491**	**24,022**
Share of net income of equity-accounted investments	192	2,219
Foreign currency translation differences	(402)	325
Dividends	(203)	(606)
Change in consolidation scope (3)	(6,707)	-
Share of items that can be reclassified to other comprehensive income (1)	(661)	(1,837)
Other (2)	(10,516)	1,368
Reclassified to assets held for sale (4)	(1,863)	-
At December 31	**5,331**	**25,491**

(1) Change in the fair value of derivative instruments designated as interest rate hedges.
(2) Change primarily in receivables relating to equity-accounted investments sold in 2020.
(3) Disposal of CNIM Development, Dudley Waste Services Ltd, Hanford Waste Services Holding Ltd, Wolverhampton Waste Services Ltd and Technoplus Industries, as mentioned in Note 2.
(4) Reclassification of the share of Picardie Biomasse Energie equity to 'assets held for sale' in accordance with IFRS 5, as mentioned in Note 3.

B. Breakdown of equity-accounted investments

(in € thousands)	% interest		Share of equity		Share of net income	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 20
CNIM Development (1)	-	50.00	-	2,477	120	(
CCUAT	49.88	49.88	75	76	(2)	
CSBC	50.00	50.00	3	3	(0)	
Dudley Waste Services Ltd (DWS Ltd) (1)	-	33.33	-	3,136	188	5
Hanford Waste Services Holding Ltd (HWS Ltd) (1)	-	34.75	-	3,561	189	(
Technoplus Industries (1)	-	34.79	-	4,936	427	1
Wolverhampton Waste Services Ltd (WWS Ltd) (1)	-	33.33	-	3,269	269	5
Ello (2)	28.34	28.34	5,254	6,729	(1,051)	(4
Picardie Biomasse Energie (3)	44.95	44.95	-	1,304	52	1
TOTAL			**5,331**	**25,491**	**192**	**2,2**

(1) Companies sold in 2020.
(2) Share of equity including the loan relating to the equity interest, adjustment of internal margin, and impairment of €3,125 thousand recognized at December 31, 2018.
(3) Reclassified to 'assets held for sale' in accordance with IFRS 5 at 31 December 2020, as mentioned in Note 3.

C. Financial information - 100% of equity-accounted investments

(in € thousands)	Revenue		Net income for the period		Balance shee
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020
CNIM Development (1)	-	-	-	9,271	-
CCUAT	-	-	(4)	(8)	153
CSBC	-	-	(1)	-	35
Dudley Waste Services Ltd (DWS Ltd) (1)	-	11,729	-	2,124	-
Hanford Waste Services Holding Ltd (HWS Ltd) (1)	-	19,307	-	3,280	-
Technoplus Industries (1)	-	322	-	322	-
Wolverhampton Waste Services Ltd (WWS Ltd) (1)	-	12,383	-	1,993	-
Ello	3,512	1,580	(2,060)	(868)	60,207
Picardie Biomasse Energie (3)	31,107	30,115	115	339	20,433

(1) Companies sold in 2020.
(2) Excluding IFRS 16 lease liabilities.
(3) Reclassified to 'assets held for sale' in accordance with IFRS 5 at December 31, 2020, as mentioned in Note 3.

NOTE 16 Other non-current financial assets

(in € thousands)	Dec. 31, 2020			Dec. 31, 2019		
	Gross value	Impairment	Carrying amount	Gross value	Impairment	Carrying amount
Non-consolidated equity investments	2,847	(832)	2,014	13,222	(6,479)	6,743
Receivables relating to non-consolidated equity investments	0	(0)	0	8,694	(74)	8,620
Loans	281	-	281	487	-	487
Other non-current financial assets (1)	2,879	-	2,879	1,797	-	1,797
TOTAL	**6,007**	**(832)**	**5,174**	**24,200**	**(6,553)**	**17,647**

(1) Mainly deposits and guarantees.

Non-consolidated equity investments

(in € thousands)	Dec. 31, 2020							Dec. 31, 2019					
	Equity investments				Related receivables (1)	Reclassified to assets held for sale	Total	Equity investments				Related receivables (1)	Total
	Gross value	Impairment	Carrying amount	% direct or indirect interest	Carrying amount			Gross value	Impairment	Carrying amount	% direct or indirect interest	Carrying amount	
S.M.A	63	-	63	*3.00%*	-		63	63	-	63	*3.00%*	-	63
Vocapia Research	804	-	804	*20.00%*	-		804	804	-	804	*20.00%*	-	804
Foster Wheeler Fakop	1,051	-	1,051	*8.41%*	-		1,051	1,051	-	1,051	*8.41%*	-	1,051
Kogeban(2)	1,867	(1,057)	810	*10.87%*	3,772	(4,581)	-	1,867	(64)	1,803	*10.87%*	3,686	5,489
Cogénération Biomasse d'Estrées-Mons(2)	613	(409)	204	*7.00%*	5,133	(5,337)	-	613	(613)	-	*7.00%*	4,934	4,934
Other	3,103	(832)	2,271		0	(2,173)	97	8,826	(5,802)	3,023		-	3,023
TOTAL	**7,499**	**(2,298)**	**5,202**		**8,905**	**(12,092)**	**2,014**	**13,222**	**(6,479)**	**6,743**		**8,620**	**15,363**

(1) Shareholders' current accounts without repayment schedules. In 2019, the receivable relating to Estrées-Mons Cogénération Biomasse equity investments was written down by €74 thousand.
(2) Reclassified to 'assets held for sale' in accordance with IFRS 5 at December 31, 2020, as mentioned in Note 3.

NOTE 17 Inventories

(in € thousands)	Dec. 31, 2019	Increase / Decrease	Translation and other adjustments	Reclassified to assets held for sale	Dec. 31, 2020
Raw materials	13,489	1,539	(161)	(2,018)	12,849
Purchased goods	1,910	1,428	(33)	(87)	3,218
Finished products	5,925	13	(117)	-	5,822
Work-in-progress	8,402	1,317	(751)	-	8,968
Contract costs(1)	144	(144)	-	-	-
Gross value	**29,871**	**4,153**	**(1,062)**	**(2,105)**	**30,857**
Raw materials	(5,375)	298	29	299	(4,749)
Purchased goods	(374)	(9)	3	-	(380)
Finished products	(1,021)	(270)	(174)	-	(1,465)
Work-in-progress	(177)	-	177	-	-
Contract costs(1)	-	-	-	-	-
Impairment	**(6,947)**	**20**	**35**	**299**	**(6,593)**
Raw materials	8,114	1,837	(132)	(1,719)	8,100
Purchased goods	1,536	1,419	(30)	(87)	2,838
Finished products	4,904	(256)	(291)	-	4,357
Work-in-progress	8,225	1,317	(574)	-	8,968
Contract costs(1)	144	(144)	-	-	-
CARRYING AMOUNT	**22,923**	**4,173**	**(1,027)**	**(1,806)**	**24,264**

(1) See Note 19.

NOTE 18 Trade and other receivables

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Trade accounts receivable, not yet due	44,575	77,065
Trade accounts receivable past due by:	55,127	51,268
Less than one month	14,465	15,187
between 1 and 3 months	9,766	12,251
between 3 and 6 months	1,866	4,804
between 6 and 12 months	12,827	7,871
More than one year	16,203	11,156
Gross trade accounts receivable	**99,702**	**128,333**
Impairment	(3,166)	(4,241)
Net trade accounts receivable	**96,536**	**124,091**
Accrued revenue	33,239	10,512
Reclassified to assets held for sale	(24,425)	-
TOTAL	**105,349**	**134,603**

Receivables that are more than six months past due primarily relate to technical or contractual issues to be settled on completed contracts or contracts in progress. At December 31, 2020, the Group had not identified any material risk of default by any of its customers.

NOTE 19 Contract assets and liabilities

(in € thousands)	Dec. 31, 2019	Increase / Decrease	Translation and other adjustments	Reclassified to assets / liabilities held for sale	Dec. 31, 2020
Accrued income from contracts in progress	162,422	(53,394)	(129)	(4,373)	104,527
Contract costs(1)	144	(144)	-	-	-
CONTRACT ASSETS	**162,566**	**(53,538)**	**(129)**	**(4,373)**	**104,527**
Advances and down payments received from customers	33,149	(12,703)	(23)	(1,596)	18,827
Deferred income from contracts	108,145	32,071	(316)	(6,153)	133,747
CONTRACT LIABILITIES	**141,295**	**19,368**	**(340)**	**(7,748)**	**152,574**
CONTRACT ASSETS NET OF CONTRACT LIABILITIES	**21,272**	**(72,906)**	**211**	**3,376**	**(48,048)**

(1) Reported in 'Inventories and work in progress' (see Note 17).

Contract costs reflect costs incurred to secure and execute contracts, which correspond to satisfying outstanding performance obligations or performing specific planned contracts.

Other contract assets relate to the portion of performance obligations where the Group's enforceable right to payment is conditional upon the performance of other work provided for in the contract. Contract assets are recognized as receivables as the goods are gradually transferred to the customer, giving rise to the Group's enforceable right to payment.

Contract liabilities mainly relate to advances and down payments received on orders or other current liabilities representing the amount of outstanding obligations for which payment from the customer has been received. Fulfillment of performance obligations results in the recognition of revenue to offset contract liabilities, with no future impact on the Group's cash flow.

The change in contract assets and liabilities was due to revenue recognized over the period based on percentage completion below the amount invoiced to customers over the period and accounted for separately (see Note 18).

NOTE 20 Other operating assets and liabilities

A. Social security and tax receivables and payables

(in € thousands)	Dec. 31, 2019	Increase / Decrease	Translation and other adjustments	Reclassified to assets held for sale	Dec. 31, 2020
Amounts due from personnel	689	1,721	(40)	(278)	2,091
Amounts due from government and other public authorities	80,565	8,492	(457)	(5,960)	82,640
SOCIAL SECURITY AND TAX RECEIVABLES	**81,254**	**10,213**	**(497)**	**(6,238)**	**84,732**

(in € thousands)	Dec. 31, 2019	Increase / Decrease	Translation and other adjustments	Reclassified to liabilities held for sale	Dec. 31, 2020
Amounts due to personnel	38,788	(3,917)	(20)	(4,897)	29,954
Amounts due to government and other public authorities	45,949	12,393	(315)	(4,793)	53,235
SOCIAL SECURITY AND TAX PAYABLES	**84,737**	**8,476**	**(335)**	**(9,689)**	**83,189**

B. Other operating assets and liabilities

(in € thousands)	Dec. 31, 2019	Increase / Decrease	Translation and other adjustments	Reclassified to assets held for sale	Dec. 31, 2020
Miscellaneous accounts receivable	6,152	(378)	3,297	(414)	8,658
Impairment of other receivables	(320)	(1,804)	-	-	(2,124)
Prepaid expenses	10,244	1,363	46	(1,995)	9,658
Derivative financial instruments	4	757	-	-	760
OTHER OPERATING ASSETS	**16,081**	**(63)**	**3,343**	**(2,409)**	**16,952**

(in € thousands)	Dec. 31, 2019	Increase / Decrease	Translation and other adjustments	Reclassified to liabilities held for sale	Dec. 31, 2020
Miscellaneous accounts payable	10,903	(3,937)	17	(310)	6,672
Deferred income	7,291	(40)	(19)	(141)	7,091
Derivative financial instruments	5,574	(5,128)	-	-	445
OTHER OPERATING LIABILITIES	**23,768**	**(9,105)**	**(2)**	**(451)**	**14,209**

NOTE 21 Equity

A. Share capital

At December 31, 2020, share capital amounted to €6,056,220 divided into 3,028,110 fully-paid shares with a par value of €2. There were no changes in the reporting period.

B. Form of shares

The shares are either registered or bearer shares, at the shareholder's discretion.

C. Voting rights

Registered shares carry double voting rights once they have been held for two years.

At December 31, 2020, there were 2,394,320 registered shares with double voting rights.

D. Crossing of thresholds

The Company's by-laws provide for disclosure when each threshold of 2.5% of capital and voting rights is crossed.

E. Treasury shares

As part of a share buyback program approved at the Annual General Meeting on June 26, 2019, the Company renewed a liquidity agreement with BNP Paribas Securities Services (formerly Exane) for 18 months as of the date of the meeting.

Treasury share data for 2020 are presented in the following table:

	CNIM	Exane	Total
Number of shares at January 1, 2020	188,449	14,341	202,790
Number of shares purchased in 2020	-	13,413	13,413
Average purchase price	0.00	14.01	14.01
Number of shares sold in 2020	-	12,443	12,443
Average sales price	0.00	14.22	14.22
Number of treasury shares at December 31, 2020	188,449	15,311	203,760
Weighted average number of treasury shares			203,346
Weighted average number of ordinary shares			2,824,764
Total number of shares			3,028,110

F. Dividends proposed

No dividend will be proposed at the Annual General Meeting on June 25, 2021.

As decided by shareholders at their Annual General Meeting on July 31, 2020, all net income for the period ended December 31, 2019 was allocated to "Retained earnings", so no dividends were paid for financial year 2019.

NOTE 22 Loans and borrowings

A. Breakdown of current and non-current financial liabilities

(in € thousands)	Dec. 31, 2020			Dec. 31, 2019		
	Non-current	Current	Total	Non-current	Current	Total
Borrowings	177,043	51,034	228,077	2,373	165,870	168,244
Payables on finance leases	13,264	3,843	17,107	16,142	4,539	20,681
Refundable advances	6,278	419	6,698	6,163	589	6,752
Sales of receivables (1)	19,659	9,509	29,168	20,372	11,389	31,761
Other	371	3	374	256	353	609
Gross financial liabilities	**216,616**	**64,808**	**281,424**	**45,306**	**182,740**	**228,046**
Bank overdrafts	-	5,707	5,707	-	5,687	5,687
NET FINANCIAL LIABILITIES	**216,616**	**70,515**	**287,130**	**45,306**	**188,428**	**233,734**

(1) Primarily securitization of research tax credit receivables

Loans and borrowings due in less than one year are recorded under 'current financial liabilities'.

Loans and borrowings for which CNIM has an unconditional right to defer payment beyond one year are recorded under 'non-current financial liabilities'. This classification is based on the contractual position at December 31, 2020, and does not take into account the likelihood of occurrence of events requiring immediate debt repayment after the reporting date.

Pursuant to the conciliation protocol approved in June 2020, immediate repayment of CNIM's loans and borrowings is required under certain conditions, including non-compliance or non-performance of the financial backing and asset disposal program or certain milestones relating to the program, insufficient actual cash flow in the 16-week forecasts and any significant adverse event. The Group did not observe any defaulting in this respect not covered by a waiver at December 31, 2020.

In connection with the financial restructuring initiated early in 2021 and described in Note 2, these loans and borrowings, as well as bank overdrafts, will be:

- converted into bonds redeemable in shares for €163 million,
- in 2021, repaid using proceeds from the asset disposals underway, and reduced by the increase in LAB SAS share capital reserved for Martin GmbH amounting to an aggregate €39 million, with the balance of approximately €30 million amortized progressively between December 2021 and September 2023.

Given the limitations of the waiver obtained at December 31, 2019, the loans and borrowings subject to covenants were classified, for their full amounts, under 'current financial liabilities' as the Group did not have an enforceable right to repay them in more than one year at December 31, 2019.

B. Change in financial liabilities

(in € thousands)	Dec. 31, 2019	Cash flow			Non-cash effects[(2)]	Dec. 31, 2020
		Issue of loans and borrowings [(1)]	Repayment of loans and borrowings	Other financing transactions		
Borrowings	168,244	98,184	(38,238)		(112)	228,077
Non-current	*2,373*	*24,379*	*-*		*150,291*	*177,043*
Current	*165,870*	*73,805*	*(38,238)*		*(150,403)*	*51,034*
Payables on finance leases	20,681	0	(4,621)		1,047	17,107
Refundable advances	6,752	-	(54)		-	6,698
Sales of receivables	31,761	20		(2,586)	(27)	29,168
Other	609	1,439	(255)		(1,419)	374
Gross financial liabilities	**228,046**	**99,643**	**(43,169)**	**(2,586)**	**(511)**	**281,424**
Bank overdrafts	5,687					5,707
NET FINANCIAL LIABILITIES	**233,734**					**287,130**

(1) Of which current loans and borrowings: the bridge loan relating to the sale of the Group's registered office premises for €30.6 million, medium-term bank loan of €35 million, medium-term government loan of €8.8 million; Issue of non-current loans and borrowings: Martin GmbH bonds for €25 million.
(2) Of which €0.4 million reclassified to 'liabilities held for sale', as mentioned in Note 3.

C. Breakdown of foreign currencies and maturities

(in € thousands)	Dec. 31, 2020			Dec. 31, 2019		
	Total	**Euros**	**Foreign currency**	**Total**	**Euros**	**Foreign currency**
Less than one year	70,515	69,563	952	188,428	185,994	2,434
1-5 years	209,766	209,692	74	35,931	34,569	1,362
More than 5 years	6,850	6,850	-	9,376	9,376	-
TOTAL	**287,130**	**286,104**	**1,026**	**233,734**	**229,939**	**3,795**

Equivalent value (in € thousands)	Foreign currency	Dec. 31, 2020	Dec. 31, 2019
Moroccan dirhams	MAD	788	2,322
US Dollars	USD	-	661
Pounds sterling	GBP	175	122
Other foreign currencies		64	692
TOTAL		**1,026**	**3,795**

D. Breakdown of loans and borrowings

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Loan to invest in Exensor Group	18,000	24,000
Loan to fund work at SCI Bassano	-	1,135
Drawdown of the renewable credit line	120,000	120,000
Medium-term bank loan	35,000	-
Martin GmbH bond	45,000	-
Medium-term government loan (development fund)	8,750	-
Financing loan for R&D projects	1,798	2,229
Other loans and borrowings (1)	(471)	20,880
TOTAL LOANS AND BORROWINGS	**228,077**	**168,244**
Non-current	177,043	2,373
Current	51,034	165,870

(1) In 2019, loan taken out with Martin GmbH, long-standing partner of CNIM, for €20 million.

In December 2017, the Group renewed a syndicated credit line (multi-currency) of €120 million, which was renewable for a five-year period (extended by one year in 2019, with another one-year extension possible) at a floating rate (Euribor or Libor + 6%). The amount drawn down from the credit line was €120 million at December 31, 2020. The credit line was subject to a covenant calculated based on the consolidated financial statements, limiting the net debt to EBITDA ratio to 2.5. If breached, the terms of the covenant require the borrowers to repay the credit line upon demand by the lenders. This covenant was cancelled in connection with the conciliation protocol approved in June 2020.

In December 2017, the company took out a €30 million floating-rate (Euribor + 6%) loan repayable over six years (that has been rendered fixed rate using an interest rate swap) to refinance the July 2017 acquisition of Exensor. The loan was subject to the same covenant as the 2017 syndicated credit line and was also cancelled in 2020.

In June 2020, the Group obtained new loans in connection with the conciliation protocol signed in April with its financial partners:

- Medium-term bank loan of €35 million at a floating rate (Euribor + 6%), with an initial maturity of 12 months and two six-month extension options. This credit line had been fully drawn down at December 31, 2020 and was classified under 'current financial liabilities' at the reporting date;
- Medium-term government loan (development fund) of €8.75 million at a floating rate (Euribor + 6%), with an initial maturity of 12 months and two six-month extension options. This credit line had been fully drawn down at December 31, 2020 and was classified under 'current financial liabilities' at the reporting date;
- €45 million bond, bearing interest at a fixed rate of 5%, taken out by Martin GmbH. The bond was subscribed in part by offsetting the short-term loan taken out by Martin GmbH in 2019 (€20 million) and by a partial cash contribution of €25 million. It matures on December 31, 2025.

NOTE 23 Retirement and other employee benefits

(in € thousands)	Dec. 31, 2019	Additions	Reversals (utilizations)	Actuarial differences	Other	Reclassified to liabilities held for sale	Dec. 31, 2020
Provisions for long-service awards	518	15	(13)	-	-	(57)	463
Provisions for retirement benefits	20,458	1,210	(941)	(596)	(19)	(2,767)	17,345
TOTAL	**20,976**	**1,225**	**(954)**	**(596)**	**(19)**	**(2,824)**	**17,808**

A. Retirement benefits

a. Overview of Group pension plans

The Group has the following pension plans:

France

- A plan providing for a lump-sum payment upon retirement based on the number of years of service and final salary at retirement.

United Kingdom

- Employees are members of a defined benefit pension plan.

Morocco

- Employees are entitled to a retirement benefit paid by the employer at retirement.
- Former employees are also covered by a healthcare insurance policy.

The amounts recognized in the balance sheet are determined as follows:

(in € thousands)	Dec. 31, 2020					Dec. 31, 2019
	France	United Kingdom	Other	Reclassified to assets / liabilities held for sale	TOTAL	TOTAL
Value of obligation	19,808	5,876	328		26,012	26,011
Fair value of plan assets	(23)	(8,050)	-		(8,072)	(7,575)
Liability recognized at reporting date	19,785	-	328	(2,767)	17,345	20,458
Asset recognized at reporting date	-	2,173	-	(2,173)	-	2,022

Changes in obligations over the reporting period relating to defined benefit plans are detailed below:

(in € thousands)	Dec. 31, 2020				Dec. 31, 2019
	France	United Kingdom	Other	Total	Total
Value of the obligation at beginning of reporting period	**20,148**	**5,530**	**332**	**26,011**	**30,581**
Foreign currency translation adjustments	-	(304)	(5)	(308)	184
Current service costs	1,718	85	-	1,804	2,372
Interest cost	160	103	-	264	572
Tax	-	12	-	12	18
Plan settlements	-	-		-	(10,959)
Benefits paid	-	(207)	-	(207)	(167)
Actuarial gains and losses	(2,219)	655	-	(1,563)	3,411
Value of the obligation at reporting date	**19,808**	**5,876**	**328**	**26,012**	**26,011**

Changes in plan assets over the reporting period are detailed below:

(in € thousands)	Dec. 31, 2020				Dec. 31, 2019
	France	United Kingdom	Other	Total	Total
Value of plan assets at beginning of reporting period	**23**	**7,552**	**-**	**7,575**	**6,018**
Foreign currency translation adjustments	-	(415)	-	(415)	161
Expected return on plan assets	-	145	-	145	204
Employer contributions	-	302	-	302	826
Employee contributions	-	12	-	12	18
Plan settlements/benefits paid	-	(207)	-	(207)	(167)
Actuarial gains and losses	-	660	-	660	514
Value of plan assets at reporting date	**23**	**8,050**	**-**	**8,073**	**7,575**

Components of pension expense recognized in the income statement were as follows:

(in € thousands)	Dec. 31, 2020				Dec. 31, 2019
	France	United Kingdom	Other	Total	Total
Current service costs	1,718	85	-	1,804	2,372
Interest cost	160	103	-	264	572
Return on plan assets	-	(145)	-	(145)	(204)
Expense for the period	**1,878**	**44**	**-**	**1,922**	**(8,219)**

The average weighted term of the obligation is 14.4 years.

The Company estimates that it will pay €0.7 million in retirement benefits in 2021.

At December 31, 2020, there were no longer any defined benefit schemes in France.

b. Actuarial assumptions

The main assumptions used to calculate the provisions for Group pension plans are as follows:

(in € thousands)	Dec. 31, 2020		Dec. 31, 2019	
	France	United Kingdom	France	United Kingdom
Discount rate	0.50%	1.30%	0.80%	2.00%
Future salary increase rate	3.00%	3.00%	3.00%	3.05%
Inflation rate	2.00%	3.00%	2.00%	3.05%
Mortality table	INSEE TGH05-TGF05 table	S2PXA, CMI_2017	INSEE TGH05-TGF05 table	S2PXA, CMI_2017

c. Breakdown of plan assets

The main asset categories and expected returns are as follows:

(%)	Dec. 31, 2020	Dec. 31, 2019
Equities	32%	0%
Bonds	9%	9%
Diversified growth funds	0%	43%
Other*	59%	48%
TOTAL	**100%**	**100%**

* Including for 2020, 33% of "Multi-assets credit", 25% of "Liability Driven Investments" and 1% for "Cash"; and in 2019, 25% of "Multi-assets credit", 21% of"Liability Driven Investments" and 2% of "Cash".

The allocation of assets only concerns the United Kingdom.

d. Sensitivity of the retirement obligation to changes in discount rate

An overall 0.25% decrease in the discount rate would increase the retirement obligation by 3.5% in France and 4% in the United Kingdom.

B. Obligations for long-service awards

The Group's French companies pay a bonus when granting long-service awards. The bonus is based on the number of years of service in the company. The provision at December 31, 2020 amounted to €463 thousand.

The provision for long-service awards at December 31, 2020 was calculated using actuarial methods based on assumptions regarding the age of employees when they are granted the long-service bonuses, mortality (INSEE table TGH-TGF 2005), the number of years of service and personnel turnover. An inflation rate of 2% and discount rate of 0.5% (including inflation) were used.

NOTE 24 Other provisions for contingencies and liabilities

(in € thousands)	Dec. 31, 2019	Additions	Reversals (utilizations)	Reversals (surplus)	Foreign currency translation adjustments	Other changes	Reclassified to liabilities held for sale	Dec. 31, 2020
Provisions for litigation	7,990	1,668	(1,502)	(1,017)	-	-	(490)	6,649
Other contingency provisions	5,181	1,315	(3,070)	(224)	(9)	(175)	(185)	2,833
Provisions for other expenses	84	-	(24)	-	-	-	-	60
Total non-current provisions	**13,255**	**2,983**	**(4,596)**	**(1,241)**	**(9)**	**(175)**	**(675)**	**9,542**
Provisions for losses at completion	58,253	31,985	(29,492)	(6)	4	(0)	(1,352)	59,392
Provisions for guarantees	11,005	14,304	(10,134)	(283)	(42)	(0)	-	14,850
Accruals on completed contracts	28,452	36,860	(18,128)	-	(222)	175	(3,076)	44,062
Total current provisions	**97,710**	**83,149**	**(57,754)**	**(289)**	**(260)**	**175**	**(4,428)**	**118,304**
TOTAL PROVISIONS FOR CONTINGENCIES AND LIABILITIES	**110,966**	**86,132**	**(62,350)**	**(1,530)**	**(269)**	**(0)**	**(5,103)**	**127,846**

Provisions for losses at completion

When it becomes likely that a construction contract's cost at completion will exceed total estimated revenue, the expected loss at completion is immediately expensed as a provision for losses at completion under 'provisions for contingencies and liabilities'.

Provisions for guarantees

Provisions for guarantees are recognized either based on an analysis of expenses incurred in the past on similar projects, or by applying a percentage of the sales price.

As the Group is involved in various business activities, more than one method is required.

For the main business activity generating provisions for guarantees (the construction of new plants in the Environment & Energy operating segment), a rate of 2% of the contract price is applied. This rate was determined based on an analysis of all guarantee expenses incurred for the business activity as a whole, given the strong technical similarity between contracts. The rate may be increased if a specific problem is identified.

For contracts in the Innovation & Systems segment (CSI) with highly specific technical characteristics, past expenses on similar contracts were analyzed, resulting in rates ranging from 0.5% to 1.5% of revenues.

Provisions for accruals on completed contracts

When a contract has been completed and accepted by the customer, any outstanding expenses relating to the contract are recorded under 'provisions for accruals on completed contracts'.

Provisions for accruals on completed contracts have a very short maturity and are utilized within 12 months of contract completion.

NOTE 25 Financial instruments

IFRS 9 defines three categories of financial instruments:

- Financial assets or liabilities at fair value through other comprehensive income,
- Financial assets or liabilities at fair value through profit or loss,
- Loans or receivables at amortized cost.

IFRS 13 requires use of the fair value hierarchy to measure each financial asset or liability. The categories are:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices that are observable either directly or indirectly;
- Level 3: unobservable inputs for the asset or liability.

Fair values are determined using information available at the reporting date, and therefore do not reflect any subsequent changes.

No financial instruments were transferred between levels 1 and 2, or to or from level 3 in 2020.

(in € thousands)	Dec. 31, 2020						Dec. 31, 2019	
	Category of financial instruments				Fair value level	Fair value	Carrying amount	Fair value
	FV through profit or loss	Derivatives	Amortized cost	Carrying amount				
Non-consolidated equity investments	2,014			2,014	3	2,014	6,743	6,743
Receivables relating to non-consolidated equity investments			0	0	3	0	8,620	8,620
Loans			281	281	2	281	487	487
Other non-current financial assets			2,879	2,879	2	2,879	1,797	1,797
Trade and other receivables			105,349	105,349	2	105,349	134,603	134,603
Accrued income from contracts			104,527	104,527	2	104,527	162,422	162,422
Cash and cash equivalents	143,101			143,101	1	143,101	100,546	100,546
Current derivatives		760		760	2	760	4	4
Financial assets	**145,116**	**760**	**213,036**	**358,912**		**358,912**	**415,222**	**415,222**
Non-current financial liabilities	(0)		203,352	203,352	2	165,805	29,165	29,165
Non-current lease liabilities			13,264	13,264	2	11,346	16,142	14,373
Trade accounts payable			150,971	150,971	2	150,971	156,814	156,814
Current financial liabilities			66,672	66,672	2	64,424	183,888	156,009
Current lease liabilities			3,843	3,843	2	3,825	4,539	4,042
Current derivatives		445		445	2	445	5,574	5,574
Financial liabilities	**(0)**	**445**	**438,102**	**438,547**		**396,817**	**396,121**	**365,977**

The fair value of financial assets and liabilities recognized at amortized cost is close to the carrying amount, except for certain loans and borrowings.

Fair value corresponds to quoted prices in active markets for listed securities (level 1) or fair value estimates for unlisted securities, determined based on the most appropriate financial information available in the circumstances for each security (level 3).

The fair value of loans and borrowings is determined by discounting the future cash flows of each borrowing against a yield curve based on euro-denominated interest rates and the Group's credit spread at the reporting date (level 2). At December 31, 2020, in the absence of direct and reliable comparative benchmarks, the Group performed an estimate based on a rate of 10.75%, which it considered to be a reflection of the conditions it could have obtained at the reporting date for loans with similar principal amounts and maturities.

The Group's cash management policy aims to obtain a return on investment slightly above that of the money market, while preserving a high degree of liquidity in terms of assets managed, which are mostly invested in short-term interest rate products with minimal counterparty risk. The CNIM parent company centralizes cash in euros through a cash pooling system for the Group's French companies in order to optimize management of investments and overdrafts.

Derivatives comprise forward purchases/sales of foreign currency (primarily sales) and forex swaps. The Group has classified these derivatives as Level 2 financial assets as there are no observable prices or other market data to determine fair value (identical amounts/terms). The fair value of the derivatives is estimated using bank valuations or pricing models used by the financial markets, based on data available at the reporting date.

NOTE 26 Leases

A. Right-of-use assets

(in € thousands)	Dec. 31, 2019	Increase	Decrease	Translation and other adjustments	Reclassified to assets held for sale	Dec. 31, 2020
Land	281	-	-	-	-	281
Buildings	25,398	750	(198)	(101)	(417)	25,433
Technical facilities, equipment and industrial tooling	751	-	(332)	(42)	-	377
Other property, plant and equipment	2,292	100	(355)	(9)	(57)	1,972
Right-of-use assets, gross value	**28,723**	**851**	**(884)**	**(152)**	**(474)**	**28,063**
Land	-	-	-	-	-	-
Buildings	(4,867)	(3,676)	435	40	122	(7,946)
Technical facilities, equipment and industrial tooling	(288)	(172)	168	26	-	(266)
Other property, plant and equipment	(1,185)	(679)	575	5	49	(1,235)
Right-of-use assets, accumulated depreciation and impairment	**(6,340)**	**(4,527)**	**1,178**	**72**	**171**	**(9,447)**
Land	281	-	-	-	-	281
Buildings	20,531	(2,926)	238	(61)	(295)	17,487
Technical facilities, equipment and industrial tooling	464	(172)	(164)	(16)	-	112
Other property, plant and equipment	1,107	(578)	220	(3)	(8)	737
Right-of-use assets, carrying amount	**22,382**	**(3,677)**	**294**	**(80)**	**(303)**	**18,616**

B. Lease liabilities

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Non-current	13,264	16,142
Current	3,843	4,539
LEASE LIABILITIES	**17,107**	**20,681**
Less than one year	3,843	4,539
1-5 years	6,435	8,315
More than 5 years	6,829	7,827
TOTAL	**17,107**	**20,681**

The net change of -€3.6 million recorded for the reporting period breaks down as follows:

- Interest income for the period of €0.4 million;
- New lease contracts and effect of lease modifications of €1 million;
- Repayment of liabilities of -€4.6 million;
- Reclassification to 'liabilities held for sale' of -€0.3 million;
- Other changes of -€0.1 million.

C. Other information

Effects on performance of leases recognized under IFRS 16

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Cancellation of lease expenses	4,783	5,595
Depreciation and amortization expense	(4,527)	(4,942)
Net effect on operating income	**256**	**652**
Interest on lease liabilities	(423)	(493)
Interest income from lease liabilities	101	(48)
Net effect on pretax income	**(66)**	**111**
Net effect on EBITDA	**4,783**	**5,595**

Payments of short-term or low-value leases that are directly expensed are not considered material.

NOTE 27 Off balance-sheet commitments

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Commitments given		
Contract bank guarantees	526,834	547,684
Commitments received		
Bonds received from suppliers	101,056	82,997

NOTE 28 Contingent liabilities

In application of IAS 37 criteria, the Group considers that the legal proceeding described below did not have to be provisioned at December 31, 2020 since the outcome is uncertain:

In May 2019, CNIM and CNIM Industrie were named as parties in the lawsuit of a director of a foreign subsidiary who is demanding backpay over a very long period of time. The Group is contesting the conformity of the summons and the merit of the claim. The suit is awaiting hearing by the French commercial court (*Tribunal de Commerce*).

NOTE 29 Related parties

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
1) Sales of goods and services		
- Joint ventures and equity-accounted investments	13,351	22,044
- Martin GmbH	1,500	-
2) Purchases of goods and services		
- Joint ventures and equity-accounted investments	1,922	3,018
- Martin GmbH	10,781	7,238
3) Operating receivables		
- Joint ventures and equity-accounted investments	-	2,197
4) Operating payables		
- Joint ventures and equity-accounted investments	-	395
- Martin GmbH	-	3,248
5) Loans granted		
- Joint ventures and equity-accounted investments	10,353	21,736
6) Loans received		
- Martin Gmbh[1]	45,000	20,000

(1) Loan from Martin GmbH (see Note 22).

7) Senior management

(in € thousands)	Management bodies				
	Dec. 31, 2020			Dec. 31, 2019	
	Executive Committee, Group Directors' Committee and Management Board	Board of Directors	Supervisory Board	Executive Committee and Management Board	Supervisory Board
Financial commitments	-	-	-	-	-
Retirement benefit commitments	213	-	-	716	-
Advances and loans granted	-	-	-	-	-
Remuneration	3,501	897	345	3,133	788

Senior executives do not have any stock options.

Transactions with related parties were carried out under normal market conditions.

NOTE 30 Risk exposure

A. Financial risk

a. Foreign exchange risk

- **Operational foreign exchange risk**

Exposure

Foreign exchange risk on tender offers corresponds to the financial risk borne by Group companies when tendering in currencies other than their functional currency. Although this risk arises when the bid is submitted and persists throughout its validity period, it only materializes when the offer is accepted and forms the basis of a contract. The risk becomes real (or certain) when the contract is signed.

Risk mitigation

In compliance with the Group's operating risk management policy with regard to transactional foreign exchange risk in the tendering and contract phases:

- The Group carries out a comprehensive analysis of foreign exchange risk for each project during the tendering phase, taking into account forecast cash inflows and outflows in each currency;
- All commercial efforts are made to hedge the amounts naturally by balancing out forecast receipts and disbursements by foreign currency;
- Where there is residual foreign exchange exposure during the tender phase, any hedging based on the estimated probability of winning the tender and market conditions is carried out using specific export insurance policies (with insurers such as Bpifrance Assurance Export), or by using derivative instruments in the form of options;
- For each contract booked, the foreign exchange exposures are hedged using forward purchases/sales of foreign currency. These derivatives are used to hedge highly probable or certain future cash flows;
- Group companies' foreign currency hedges are contracted by the Group Financing and Treasury Department, under the responsibility of the Group Chief Financial Officer, based on forecast foreign currency receipts and disbursements on completion as reported by the project manager or finance director of the subsidiary or division concerned;
- During the entire execution phase of each contract, foreign exchange exposures are actively monitored and the hedging portfolio is adjusted accordingly.

- **Financial foreign exchange risk**

At December 31, 2020, no external borrowings had been contracted by Group companies in currencies other than the functional currency of the entity concerned.

- **Foreign exchange risk – net investments in foreign operations**

Foreign exchange risk related to net investments in foreign operations corresponds to the balance sheet translation risk arising in consolidated subsidiaries whose functional currency is different from that of the parent company.

As the majority of the consolidated entities' functional currency is the euro, the Group still has low exposure to this risk.

Consequently, the Group has no hedges for net investments in foreign operations.

Foreign exchange gains and losses arising from changes in the exchange rate are presented in Note 9 to the 2020 consolidated financial statements.

- **Interest rate risk**

  - **Debt**

Floating-rate debt accounted for €181.7 million at December 31, 2020 (see Note 22 to the 2020 consolidated financial statements).

The Group has hedged a floating-rate loan (Euribor) maturing in December 2023 with an outstanding balance at December 31, 2020 of €18 million.

The Group has not hedged the new variable-rate (Euribor) loans taken out in connection with the conciliation protocol signed in April 2020 with its financial partners.

The Group has not hedged the variable-rate renewable credit line (Euribor or Libor) with an outstanding balance of €120 million at December 31, 2020.

Certain equity-accounted investments have also hedged their floating-rate debt to a limited extent.

- **Cash and cash equivalents**

The Group's cash management policy aims to obtain a return on investment slightly above that of the money market, while preserving a high degree of liquidity in terms of assets managed, which are mostly invested in short-term interest rate products.

The Group does not have any investments in equity or bonds.

B. Counterparty risk

a. Exposure

Counterparty risk is the risk of losses that the Group may bear in the event that a counterparty defaults on its contractual obligations.

The Group is exposed to counterparty risk in its ordinary operations:

- risk relating to trade receivables from customers;
- risk relating to partners, sub-contractors and suppliers;
- in its investment and hedging activities.

The concentration of the customer portfolio is affected by the percentage of completion of the Group's main contracts and therefore changes from year to year.

b. Risk mitigation

- **Credit risk relating to trade receivables**

According to the country risk assessment, cross-border turnkey contracts may be guaranteed to cover:

- the risk of early contract termination due to a breach of contract by the buyer, a political event, or a natural disaster;
- the risk of non-payment;
- the risk of first demand bank guarantees issued to the buyer being called, whether:
- unfairly, or;
- fairly, but without any breach of contract by the Contractor, due to a political event preventing the Contractor from continuing to execute the contract.

In the case of private sector contracts:

- Prior to signing contracts, the Group analyzes credit risk, notably by consulting information from companies specialized in providing commercial data.
- During the contract phase, non-payment risk is mitigated by:
    - the negotiation of appropriate payment forms, i.e., standby letters of credit and/or irrevocable documentary letters of credit, in some cases confirmed by a leading financial institution;
    - the negotiation of payment terms to minimize the potential negative discrepancy between the amount of expenses irrevocably committed and the non-reimbursable cashed-in amount;
    - obtaining guarantees from the customer's parent company.

Trade receivables that are past due are followed up systematically and progressively based on their due dates and the aged trial balance.

During the 2020 reporting period, the Group did not recognize any material non-payment(s) from any of its customers that had not been impaired or that related to a technical issue pending settlement on a completed contract or contract in progress.

- **Counterparty risk relating to partners, sub-contractors and suppliers**

CNIM performs a risk analysis during the process of selecting partners, sub-contractors and suppliers, the results of which may lead to:

- a refusal to contract with a given partner, sub-contractor or supplier;
- a request for the third party concerned to provide bank guarantees or parent-company guarantees;
- an adjustment of the payment terms in line with the risks borne.

Despite this process, the technical failure or financial default of a partner, sub-contractor or supplier could occur, resulting in additional obligations that may have an impact on the Group's earnings.

- **Counterparty risk relating to investment and hedging activities**

The Group is exposed to counterparty risk on its cash investments and the derivative financial instruments used to hedge foreign exchange and interest rate risk. In the case of derivative financial instruments, counterparty risk corresponds to the fair value of the instruments contracted with a counterparty, where the fair value is positive.

The Group mitigates counterparty risk by systematically restricting the choice of banking counterparties to leading financial institutions. With regard to derivative financial instruments, the Group only makes limited use of brokers who do not work with leading financial institutions.

C. Liquidity risk

a. Exposure

Liquidity risk is the risk that the Group will have insufficient financial resources to meet its obligations.

b. Risk mitigation

Four times a year, Group Management carries out a specific review of consolidated earnings and cash flow forecasts for the current year and following year. For the E&E EPC division, the review is based on a detailed, contract-by-contract analysis and monthly forecasts of receipts and disbursements corresponding to contractual milestones. For all divisions, the review is based on cash flow forecasts including analyses of EBITDA, working capital and investments. Funding requirements are determined based on these Group cash flow forecasts.

In 2017, to hedge the specific risk of changes in working capital requirements or major contract losses on E&E EPC business, the Group renewed a €120 million credit line.

As described in Note 2, in 2019 the credit line was fully drawn down and the Group initiated a financial restructuring plan that was completed in June 2020 when a conciliation protocol was approved. A second protocol was signed in April 2021 to replenish equity and cash in the medium term.

Alongside the financial restructuring plan, the Group implemented major operational measures in 2020 to mitigate the risk on the civil engineering portion of the E&E EPC division's contracts (increasing the resources dedicated to those contracts and redefining industrial organization).

Expected contract cash flow is closely monitored, particularly in the "bid" phase. The bid approval process systematically includes a review of project performance risk and the monthly cash flow forecasts over the duration of the projects.

The EPC division has taken initiatives to improve compliance with contract schedules and deadlines and better achieve cash flow milestones.

NOTE 31 Statutory auditors' fees

The following table presents the fees of CNIM SA's statutory auditors and members of their respective networks, recognized for the 2020 and 2019 reporting periods.

(in € thousands)		Deloitte				PwC			
		Dec. 31, 2020		Dec. 31, 2019		Dec. 31, 2020		Dec. 31, 2019	
		Amount	%	Amount	%	Amount	%	Amount	%
Statutory audit and opinion on parent company and consolidated financial statements	CNIM	89	24.9%	119	25.8%	211	28.9%	161	28.7%
	Consolidated subsidiaries	264	73.9%	326	70.4%	517	70.7%	396	70.7%
	Total	**352**	**98.7%**	**446**	**96.1%**	**728**	**99.6%**	**557**	**99.3%**
Other services category 1 (1)	CNIM	-	-	-	-	-	-	-	-
	Consolidated subsidiaries	-	-	-	-	-	-	-	-
	Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other services category 2 (2)	CNIM	-	-	-	-	-	-	-	-
	Consolidated subsidiaries	5	1.3%	18	3.9%	3	0.4%	4	0.7%
	Total	**5**	**1.3%**	**18**	**3.9%**	**3**	**0.4%**	**4**	**0.7%**
Other services	CNIM	-	-	-	-	-	-	-	-
	Consolidated subsidiaries	5	1.3%	18	3.9%	3	0.4%	4	0.7%
	Total	**5**	**1.3%**	**18**	**3.9%**	**3**	**0.4%**	**4**	**0.7%**
Total	CNIM	89	24.9%	119	25.8%	211	28.9%	161	28.7%
	Consolidated subsidiaries	268	75.1%	344	74.2%	520	71.1%	400	71.3%
	Total	**357**	**100.0%**	**464**	**100.0%**	**731**	**100.0%**	**560**	**100.0%**

(1) Services other than the statutory audit and opinion on the financial statements that are expressly entrusted to the statutory auditors in accordance with national law or the provisions of European Union (EU) law that are directly applicable in national law.
(2) Services other than the statutory audit and opinion on the financial statements, other than those required by national or European Union (EU) law, which are permitted under professional rules governing statutory auditors, particularly rules on independence. In 2020, this mainly concerned attestations relating to statements made by CNIM and subsidiaries regarding expenses or other accounting items.

NOTE 32 Subsequent events

The Group has identified the following subsequent events, which do not require adjustments to the consolidated financial statements:

- Initiation of a new conciliation procedure as described in Note 1. B relating to the Group’s ability to continue as a going concern and Note 2 “Significant events of the period”;
- Signature of contracts for the sale of several business activities as mentioned in Note 3 “Assets held for sale”;
- Transfer of the Group’s registered office to 64, rue Anatole France - 92300 Levallois Perret, France, as of March 15, 2021;
- Signature of the “EPC” trust agreement with CNIM Groupe as Settlor and Beneficiary, Equitis Gestion as Trustee, Crédit Lyonnais as Protector, the Secured Creditors as Beneficiaries and CNIM Environnement & Energie EPC as the Company;
- The increase in losses at completion of approximately €15 million on certain contracts in the United Kingdom following changes in the economic environment in 2021 relating to the emergence of the UK variant of COVID-19, Brexit and higher raw material prices;
- A technical incident in 2021 relating to boiler economizers at a plant delivered to one of the Group’s customers, and which may cost up to €5 million to repair. The Company intends to file claim against with its suppliers and/or insurers.

6.2 PARENT COMPANY FINANCIAL STATEMENTS AT DECEMBER 31, 2020

6.2.1 Balance Sheet

6.2.1.1 ASSETS

(in € thousands)	Notes	Dec. 31, 2020			NET
		GROSS	Acc. depr. amort. & prov.	NET	Dec. 31, 2019
Intangible assets	4	**2,624**	**619**	**2,005**	**14,473**
Land		2,788	297	2,491	2,502
Buildings		36,834	27,073	9,761	11,329
Technical facilities, equipment and tooling		12,053	11,686	367	562
Other		4,244	3,129	1,115	1,450
Assets in progress		2,412	-	2,412	46
Property, plant and equipment	5	**58,332**	**42,186**	**16,146**	**15,889**
Non-consolidated equity investments		43,180	3,278	39,902	168,421
Receivables relating to equity investments		209,896	26,442	183,453	38,747
Other non-current financial assets		22,288	15,797	6,490	8,636
Non-current financial assets	6	**275,363**	**45,518**	**229,845**	**215,804**
NON-CURRENT ASSETS		**336,320**	**88,323**	**247,997**	**246,166**
Inventories and work in progress		1,605	1,178	427	730
Advances and down payments made on orders		5,370	4,964	406	2,832
Trade and other receivables	7	30,666	762	29,904	152,025
Other receivables	7	206,846	50,226	156,620	157,796
Marketable securities	8	256	11	245	382
Cash		54,416	-	54,416	63,925
Prepaid expenses	9	954	-	954	9,582
CURRENT ASSETS		**300,114**	**57,141**	**242,973**	**387,273**
Expenses to be allocated to future reporting periods	9	416	-	416	612
Unrealized exchange losses	15	2,896	-	2,896	359
TOTAL		**639,745**	**145,464**	**494,281**	**634,410**

6.2.1.2 EQUITY AND LIABILITIES

(in € thousands)	Notes	Dec. 31, 2020	Dec. 31, 2019
Share capital		6,056	6,056
Additional paid-in capital		7,237	7,237
Legal reserve		606	606
Retained earnings (deficit)		(68,668)	88,179
Net income (loss) for the period		(105,337)	(156,848)
Tax-driven provisions	11	696	696
EQUITY	10	**(159,411)**	**(54,074)**
Provision for contingencies and liabilities	12	**29,195**	**82,459**
Bank borrowings and debt	13	178,389	150,159
Other borrowings and debt	13	404,003	211,406
Total borrowings and debt		**582,391**	**361,565**
Advances and down payments received		**96**	**3,793**
Trade and other payables	13	24,660	136,640
Social security and tax payables	13	13,855	39,260
Operating liabilities		**38,515**	**175,899**
Other liabilities	13	274	5,862
Total liabilities		**38,885**	**185,554**
Deferred income	14	2,694	58,259
Unrealized exchange gains	14	527	646
TOTAL		**494,281**	**634,410**

6.2.2 Income Statement

(in € thousands)	Notes	Dec. 31, 2020	Dec. 31, 2019
Revenue	17	178,587	398,032
Capitalized production		-	2,598
Increase in semi-finished and finished goods		(144)	(2,514)
Operating grants		-	14
Reversal of depreciation, amortization and provisions		37,264	16,565
Expense transfers	17	1,770	3,414
Other operating income		14,554	5,222
OPERATING INCOME		**232,032**	**423,331**
Purchases and change in inventories		(192,957)	(349,620)
Other external expenses		(22,609)	(51,906)
Taxes other than income taxes		(3,928)	(5,226)
Wages and salaries		(23,071)	(73,995)
Social security contributions		(9,575)	(32,036)
Depreciation and amortization expense		(2,045)	(6,088)
Change in provisions		(44,057)	(89,761)
Other operating expenses		(1,690)	(5,366)
OPERATING EXPENSES		**(299,932)**	**(613,998)**
OPERATING INCOME (LOSS)		**(67,900)**	**(190,668)**
Income from marketable securities		-	8
Income from loans, receivables and other financial income		1,305	2,133
Reversals of provisions & expense transfers		1,832	3,493
Foreign exchange gains		7,056	2,849
Income from equity investments		2	74,221
FINANCIAL INCOME		**10,195**	**82,704**
Amortization allowances and provisions for financial items		(15,548)	(36,666)
Interest and financial expense		(7,756)	(2,896)
Foreign exchange losses		(10,244)	(6,096)
FINANCIAL EXPENSE		**(33,548)**	**(45,658)**
NET FINANCIAL INCOME (EXPENSE)	18	**(23,352)**	**37,046**
PRE-TAX INCOME		**(91,252)**	**(153,622)**
Non-recurring income		187,323	2,961
Non-recurring expenses		(203,398)	(11,652)
NON-RECURRING INCOME, NET	19	**(16,076)**	**(8,691)**
Employee profit sharing expense		-	-
Income tax	20	1,991	5,465
NET INCOME (LOSS)		**(105,337)**	**(156,848)**

6.2.3 Statement of Cash Flows

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Net income (loss)	**(105,337)**	**(156,848)**
Depreciation, amortization and provisions	15,531	104,857
Gains or losses on disposals	(582)	2,767
Net cash from operations	**(90,388)**	**(49,224)**
Inventories and work-in-progress	303	2,464
Advances and down payments made	(2,487)	539
Net change in trade and other receivables	26,064	(92,343)
Other receivables and adjustment accounts	1,817	(7,378)
Advances and down payments received	(3,697)	31,129
Change in operating liabilities	22,187	60,396
Change in other liabilities	(10,696)	9,316
Change in working capital	**33,492**	**4,125**
Net cash flow from (used in) operating activities (A)	**(56,896)**	**(45,100)**
Acquisition of non-current assets	(4,724)	(18,449)
Change in loans to subsidiaries	8,490	2,981
Disposal of non-current assets	982	855
Impact of restructuring	(165,407)	(5,280)
Net cash flow from (used in) investing activities (B)	**(160,660)**	**(19,893)**
Dividends paid	-	-
Investment grants	-	1,081
Proceeds from borrowings	69,133	110,117
Repayment of borrowings	(7,135)	(7,323)
Change from use of BPI funding	(2,165)	27,859
Disposal (acquisition) of treasury shares		-
Net cash flow from financing activities (C)	**59,834**	**131,733**
Effect of change in accounting principles (D)	**266**	
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS A+B+C+D	**(157,456)**	**66,741**
Marketable securities and treasury shares	274	11,043
Cash	54,398	53,907
Bank overdrafts	(5,005)	(5,025)
Current accounts with subsidiaries	(167,173)	(19,977)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	**(117,506)**	**39,949**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(157,456)**	**66,741**

6.2.4 Notes to the parent company financial statements

NOTE 1 Consolidation scope

CNIM Group SA is a listed public limited company (*Société anonyme*) registered with the Paris Trade and Companies Register (RCS) under number 662 043 595. The registered office has been located at 64, rue Anatole France, Levallois-Perret since March 15, 2021.

The term “the Group” in the financial statements refers to the CNIM Group. CNIM Groupe SA is the parent company of the CNIM Group.

The financial statements are presented in thousands of euros rounded to the nearest thousand. As a result of rounding, there may be immaterial differences in the totals and sub-totals in the tables.

NOTE 2 Accounting policies and methods

The financial statements for the year ended December 31, 2020 have been prepared and presented in accordance with French generally accepted accounting principles and the provisions of Regulation 2020-09 of December 4, 2020 of the French accounting standards board on the new Chart of Accounts. They also comply with the principle of prudence, and have been prepared on an accrual basis, assuming that the Company is a going concern. Items have been recorded in the accounts on the basis of the historical cost method.

Going concern

Management has prepared and approved the parent company’s financial statements on a going concern basis for a minimum period of twelve months from the date of the financial statements. Management has applied this going concern assumption based on the activity of the Group taken as a whole.

At December 31, 2020, as a result of significant losses in the last two reporting periods, the Group had negative equity of €136.7 million and net debt (defined by the amount of financial liabilities, net of cash and cash equivalents) of €144 million.

Given the circumstances, Management has based its assumption of going concern on:

- The signing of the conciliation protocol by all parties involved on May 21, 2021, confirming their agreement with the measures described in Note 2 “Significant events of the period”,
- Government support, confirmed by the grant of a €40 million bridge loan over six months, covering the time required to obtain effective approval of the protocol,
- The completion of three ongoing divestments: (i) O&M business, (ii) non-consolidated equity investments held by CNIM Groupe in Picardie Biomasse Energie, Kogeban, CBEM, (iii) Bertin IT business,
- Cash flow projections for 2021 showing a sufficient level of cash flow with regard to the Group’s current commitments and its business outlook.

The cash flow projections were based on a contract-by-contract analysis of key payment milestones (both for trade receivables and trade accounts payable) for contracts in progress and assumptions of new order intake. The timing of cash flows was determined based on Management’s best estimate but includes the inherent risk of cash inflows not taking place on a given date, or cash outflows being underestimated.

The protocol should enable the Group to secure its financial resources and replenish medium-term equity, facilitating the signing of new significant contracts. However, it remains subject to material uncertainties due to certain events beyond the Group’s control:

- Approval of the conciliation protocol by the French Commercial Court (*Tribunal de Commerce*);
- Authorization from the European Commission for the French government to grant a €40 million participating loan in line with State aid rules;
- All prior government authorizations and/or approvals required for implementation of the conciliation protocol (including approval of the prospectus by the French Markets Authority (AMF));
- No requirement by the AMF to implement a public repurchase offer;
- Maintenance of the bank guarantees, provided that creditors finalize an agreement on the detailed breakdown of their commitments and that CNIM signs, by December 1, 2021 at the latest, two major EPC contracts;
- No cross defaulting due to a breach or shortcoming by the parent company (Soluni).

The protocol is subject to the following conditions precedent:

- The shareholders vote in favor at their Annual General Meeting;
- The usual conditions are met to enable Martin GmbH to acquire an equity interest in LAB; and
- All required documentation is provided, in a format agreed upon by all parties involved.

Consequently, there is significant uncertainty regarding the Group's ability to continue as a going concern. If the protocol is not implemented or the cash flow projections are not achieved, the Group may not be able to realize its assets and settle its liabilities in the normal course of business, which may make it inappropriate to apply the IFRS principle of going concern, particularly for measuring assets and liabilities.

However, Management has assumed that the Group will continue as a going concern given the progress made in discussions with creditors, its analysis of the likelihood of the abovementioned events not occurring and its business outlook.

A. Intangible assets and property, plant and equipment

Intangible assets are recognized at acquisition cost.

a. Business goodwill and accounting loss recognized for business combinations

Business goodwill can be allocated to:

- a group of assets, if it is only attributable to the group of assets and no synergies are expected from other groups of assets;
- several groups of assets, if it can be allocated on a reasonable, consistent and permanent basis;
- a combined group of asset groups, if it cannot be allocated on a reasonable, consistent and permanent basis among asset groups.

Goodwill that is not amortized is tested for impairment on an annual basis.

When unamortized goodwill is allocated to a group of assets, it is tested for impairment at each asset group level.

When goodwill can only be allocated to a combined group of asset groups: initially, each asset group to which goodwill is allocated is tested; subsequently, an impairment test is performed on the combined group of asset groups to which goodwill is allocated.

An impairment loss is recognized for each group of assets or combined group of asset groups if the carrying amount of the group exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs to sell and value in use, calculated using the discounted cash flow method.

Intangible assets

	Term
Capitalized R&D costs	5 years
Concessions, patents, licenses	5-10 years
Software	3 years

Concessions, patents and licenses are amortized over a period that is shorter than their legal protection period.

b. Property, plant and equipment

- **Measurement**

Property, plant and equipment is recognized at acquisition cost. Property, plant and equipment acquired in foreign currency is converted into euros based on the exchange rate effective at the transaction date. In accordance with the component approach, the Company uses different depreciation periods for each major component of an asset whenever the useful life of a component differs from that of the main asset to which it relates.

- **Depreciation**

Depreciation is calculated using the straight-line method based on the assets' useful lives as indicated below.

The Company uses the following useful lives for depreciation purposes:

	Useful life (in years)		Useful life (in years)
Civil engineering buildings[1]	30 years	Control equipment	8 years
Building improvements	10 years	Transport equipment (vehicles)	4 years
Roads	20 years	Small handling equipment	4 years
Equipment and tooling	10 years	Furniture and office equipment	5-10 years
Movable equipment (gantry cranes, bridges, cranes)	5-10 years	Safety equipment	4 years
Small equipment	8 years	IT equipment	2-5 years
Tooling	5 years		

(1) Residual value: 10% of gross value

B. Non-current financial assets

Non-current financial assets are carried at their acquisition cost, excluding ancillary expenses.

a. Equity investments

Equity investments and other non-current financial assets are estimated at their value in use, which is assessed based on Management's most recent profitability forecasts, the Company's share of the net assets, and the revalued net assets at the reporting date. If their value in use exceeds their carrying amount, the latter is not modified. However, if their carrying amount exceeds their value in use, an impairment loss is recognized. When net equity is negative and CNIM Groupe SA has undertaken to provide financial support to the subsidiary, a provision equal to the share of net equity is recorded.

b. Receivables related to equity investments

Receivables related to equity investments are recognized on the balance sheet at their historical cost. An allowance is recognized for impairment when there is collection risk.

c. Portfolio investments

Portfolio investments are recognized on the balance sheet at their acquisition cost. They may be impaired based on their net asset value and business outlook.

C. Measurement of inventories and work in progress

a. Inventories

Inventories are carried at their weighted average cost. An impairment loss is recognized when their carrying amount exceeds their estimated net realizable value or when the Company believes that it may not be able to use part of the inventories.

b. Work in progress

The carrying amount of work in progress includes all components of cost except for selling, general, administrative and finance costs, which are expensed as incurred.

D. Construction contracts

Revenue and profit on construction contracts are accounted for using the percentage-of-completion method.

Revenue is recognized on the basis of percentage completion, which is calculated using the latest estimate of the total contract price multiplied by the actual stage of completion of the contract.

Stage of completion is determined by measuring the contract costs incurred to date over estimated costs at completion.

When contract margins are expected to be negative, a provision for loss at completion is recorded in non-current liabilities.

When a contract has been completed, only outstanding expenses relating to the contract remain on the balance sheet. They are recorded under ‘provisions for accruals on completed contracts’.

Amounts received before construction contract work is performed are presented in “Advances and down payments received”.

Costs incurred, plus profit recognized less progress billings is calculated. If the net amount is positive, it corresponds to amounts due from the customer and is reported in the line item ‘trade and other receivables’. If the amount is negative, it reflects amounts due to the customer and is reported in the line item ‘deferred income’.

For purposes of consistency with the consolidated financial statements, advances and down payments received from customers for work performed have been netted against amounts due from customers in assets.

E. Receivables and payables

Receivables and payables are carried at their nominal amount.

Doubtful receivables are written down, as appropriate, based on collection risk.

F. Marketable securities

Marketable securities are recorded at cost. Their fair value is determined based on their average price in the last month of the reporting period for publicly traded securities, the most recent known purchase price for money market funds, and the most recent net asset value for securities held in mutual funds. An impairment is recognized for unrealized losses; unrealized gains are not recognized.

Accrued interest is recognized only if it can be identified (i.e., on fixed rate treasury bonds, certificates of deposit or term accounts).

G. Provisions for contingencies and liabilities

These provisions mainly comprise the following:

a. Provisions for contingencies

1) Provisions for ongoing litigation and disputes established on the basis of the best estimate of the risk borne.

2) Provisions for guarantees given to customers are recognized either based on a statistical analysis of expenses incurred in the past on similar projects, or by applying a percentage of the sales price.

3) Provisions for losses at completion: When a loss at completion is expected on a construction contract, the loss to date is recognized as an expense based on percentage of completion, and the loss beyond percentage of completion is accrued in ‘provisions for losses at completion’.

4) Other contingency provisions: this line item includes provisions for subsidiaries’ negative net assets, other than impaired assets such as current accounts and trade receivables. The line also include provisions for foreign exchange risk.

b. Provisions for liabilities

Not all accrued expenses relating to completed contracts are recognized at the delivery date. Any outstanding expenses relating to the contract are recorded under ‘provisions for accruals on completed contracts’.

Provisions for accruals on completed contracts have a very short maturity and are utilized within 12 months of contract completion.

c. Provisions for long-service awards

The Company pays a bonus when granting long-service awards. The bonus is based on the number of years of service in the Company.

The provision for long-service awards was calculated using actuarial methods based on assumptions regarding the age of employees when they are granted the long-service awards, mortality, the number of years of service, and personnel turnover (see Note 12).

H. Advances received on contracts in progress

This line item relates exclusively to advances and payments received from customers in relation to contracts in progress.

I. Transactions denominated in foreign currencies

Expenses and income denominated in foreign currencies are accounted for at the exchange rate effective at the transaction date, or at the project contract rate for project-related hedges. Balance sheet items including receivables, payables and cash denominated in foreign currencies are translated at the reporting date exchange rate. Any resulting translation differences are recognized on the balance sheet in unrealized exchange gains or losses.

A provision for contingencies is recognized for unrealized exchange losses on unhedged transactions.

J. Research and development costs

Research and development costs are expensed when incurred.

Development costs are recognized as intangible assets when they meet the following recognition criteria:

- technical feasibility of completing the asset for sale or use has been established;
- intention to complete the asset and use or sell it;
- ability to use or sell the asset;
- ability to demonstrate how the asset will generate future economic benefits;
- availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- ability to reliably measure the expenditure attributable to the intangible asset.

Development costs that cannot be separated from contracts are not capitalized.

K. Consolidated tax group

The consolidated tax group applies the principle of neutrality whereby tax savings accrue to CNIM Groupe SA, as head of the tax group, which has no commitment to return savings to tax-consolidated subsidiaries when they recover profitability.

L. Retirement benefit obligations

Retirement benefits due to all employees on the payroll at December 31, 2020 have not been recognized in the parent company financial statements. The amount is presented in Note 21 to these financial statements.

Retirement benefit obligations are calculated using actuarial methods, based on retirement age, mortality, the number of years of service and personnel turnover assumptions.

NOTE 3 Significant events of the period

Financial restructuring

1) Conciliation procedure approved in 2020

Heavily impacted by losses incurred in 2019, in particular following the default of a civil engineering partner on several construction contracts in the United Kingdom and difficulties in executing a contract in the Middle East, and the resulting decrease in liquidity, the Group initiated a financial restructuring process in close collaboration with all its financial partners, including the banking consortium, credit insurers (which issue bank guarantees), the Government and Martin GmbH (CNIM's long-standing industrial partner).

As a result of the process, which led to the initiation of a conciliation procedure on January 2, 2020, the parties signed an initial agreement in March 2020 before finalizing a conciliation protocol in April 2020. The protocol was approved by the French Commercial Court (*Tribunal de Commerce de Paris*) on June 23, 2020.

The financial restructuring measures are as follows:

		Type	Principal amount (in € millions)	Interest rate	Maturity/effective date	Counterparty
Bridge loan backed by sale of registered office premises	(1)	Financing	30.6	Eurib+5%	-	
			27.5			*Banking consortium*
			3.1			*Government (development fund)*
Bond	(2)	Financing	45.0	5%	Dec. 31, 2025	Martin GmbH
MT financing		Financing	43.8	Eurib+6%	April 30, 2021	
			35.0			*Banking consortium*
			8.8			*Government (development fund)*
New bank guarantee	(3)	Guarantee	222.5	-	March 31, 2021	Banking consortium
Sharjah bank guarantee		Guarantee	18.2	-	-	First Abu Dhabi Bank

(1) On April 17, 2020, the Group sold its registered office premises in Paris for €41.3 million and repaid the bridge loan associated with the sale.
(2) The bond was subscribed in cash for €25 million and by offsetting against the short-term €20 million loan that Martin GmbH had granted to CNIM in October 2019.

(3) These bank guarantees cover the performance bonds that the Group is required to provide to enter into construction contracts as well as the advance payment guarantees required to obtain advances from certain customers (representing €63 million).
The maturity/effective date indicated in the table above refers to the date the guarantee may be called.
A significant portion of these bank guarantees is covered by a counter-guarantee from BPI Assurance Export (up to 50% of the guarantee given). The counter-guarantee, amounting to €134 million, was obtained during the second half of 2019 to facilitate the issue of new guarantees by the banking consortium.

Alongside these measures CNIM Group made the following commitments:

- to secure the commitments of Martin Gmbh, the banking partners, credit insurers and the Government by pledging the securities of all Group subsidiaries and placing the French subsidiaries in trust, entitling the beneficiaries to (i) scrutinize or veto decisions that could affect their rights or interests and (ii) to take control of the subsidiaries if adverse events occur or after a 12-month period of 12.

  Based on the facts and circumstances at the date the French subsidiaries were placed in trust, CNIM Groupe has maintained operating control;
- the “E&E” trust agreement signed on June 11, 2020 with CNIM Groupe as Settlor and Beneficiary, Equitis Gestion as Trustee, Crédit Lyonnais as Protector, the Secured Creditors as Beneficiaries and CNIM Environnement & Energie, CNIM Environnement & Energie O&M, CNIM Environnement & Énergie Participations, CNIM Environnement & Énergie Services and LAB as the Companies;
- the “CSI” trust agreement signed on June 11, 2020 with CNIM Groupe as Settlor and Beneficiary, Equitis Gestion as Trustee, Crédit Lyonnais as Protector, the Secured Creditors as Beneficiaries and CNIM Systèmes Industriels as the Company;
- the “Bertin” trust agreement signed on June 11, 2020 with CNIM Groupe as Settlor and Beneficiary, Equitis Gestion as Trustee, Crédit Lyonnais as Protector, the Secured Creditors as Beneficiaries and Bertin Technologies as the Company;
- the “SCI du 35 rue de Bassano” trust agreement signed on March 16, 2020 with CNIM Groupe and CNIM Industrie as Settlors, Equitis Gestion as Trustee, Crédit Lyonnais as Representative/Protector of the Beneficiaries, CNIM Groupe as Representative of the Settlors, the Beneficiaries (i.e. the banking consortium comprising Banque Palatine, BNP Paribas, BRED Banque Populaire, Caisse d’Epargne CEPAC, Commerzbank Aktiengesellschaft, Crédit du Nord, Crédit Lyonnais, HSBC France, Natixis and Société Générale) and the French government.
- Assets transferred at the respective signature dates were as follows:

Date of the trust agreement	Settlor	Trust	Subsidiary	Type	Gross value in €	Impairment in €	Carrying amount in €
June 11, 2020	CNIM GROUPE	E&E	CNIM E&E	securities	1	(1)	-
	CNIM GROUPE	E&E	CNIM E&E O&M	securities	5,247,835	-	5,247,835
	CNIM GROUPE	E&E	CNIM E&E Participations	securities	30,999,400	-	30,999,400
	CNIM GROUPE	E&E	CNIM E&E Services	securities	6,797,915	-	6,797,915
	CNIM GROUPE	E&E	LAB SAS	securities	18,498,150	-	18,498,150
	CNIM GROUPE	E&E	LAB USA	receivables (loan)	13,089,446	(13,089,446)	-
	CNIM GROUPE	E&E	LAB USA	receivables (loan)	7,240,640	(7,240,640)	-
	CNIM GROUPE	E&E	LAB USA	receivables (loan)	3,342,706	(3,342,706)	-
	CNIM GROUPE	E&E	CBM (Morocco)	receivables	643,414	-	643,414
June 11, 2020	CNIM GROUPE	CSI	CSI	securities	59,613,517	-	59,613,517
	CNIM GROUPE	CSI	CNIM CANADA	receivables (loan)	2,769,646	(2,769,646)	-
June 11, 2020	CNIM GROUPE	BERTIN	BERTIN TECHNOLOGIES	securities	30,489,402	-	30,489,402
	CNIM GROUPE	BERTIN	BERTIN TECHNOLOGIES	receivables (loan)	20,000,000	-	20,000,000
March 16, 2020	CNIM GROUPE	SCI 35 rue Bassano	SCI 35 rue Bassano	securities	7,592	-	7,592
	CNIM GROUPE	SCI 35 rue Bassano	SCI 35 rue Bassano	receivables / current account	218,425		218,425
	CNIM GROUPE	SCI 35 rue Bassano	SCI 35 rue Bassano	receivables / loan	8,188,145		8,188,145

- to obtain backing from one or several partners for all of its business activities (Environment & Energy and Innovation & Systems operating segments) to enable it to continue operating.

The main objective was to obtain overall backing for the Group, by finding one or several third-party buyers for all the shares or at least for a majority stake in CNIM Groupe SA. However, the actual arrangements may vary depending on the circumstances (for instance, cumulative equity investments at the level of the main subsidiaries or partial backing for an operating segment) and may include the sale of individual assets.

In addition, the French government commission set up to assist companies in financial difficulty (*Commission départementale des Chefs des Services Financiers*) has granted the Group a moratorium on the payment of social security contributions and tax amounting to €13 million (payments to be made progressively over one year from May 2020).

The Group's long-standing credit lines (renewable credit line and financing for the acquisition of Exensor) are no longer subject to any covenants that, if breached, would require the borrowers to repay the credit line upon demand by the lenders.

1) Ongoing conciliation protocol

As there were no offers meeting the various criteria for validation by all parties involved, in January 2021, it became apparent that the financial restructuring program could not be completed and that an alternative scenario (involving either overall or partial backing) had to be found.

At the same time, the losses incurred and use of advances and down payments received from customers as a result of the health crisis in 2020, which were not replaced by new major contracts, have increased cash flow requirements for 2021.

Consequently, given the need to replenish equity, the Group decided to pursue its financial restructuring and requested the initiation of a second conciliation procedure, in agreement with its creditors, which was approved by the French Commercial Court on February 4, 2021.

Subject to effective approval by the French Commercial Court, this protocol, which was signed by all stakeholders on May 21, 2021, provides for the following measures:

		Type	Principal amount (in € millions)	Interest rate	Maturity/ effective date	Counterparty
New financing in the form of a participating loan	(1)	Financing	40.0	4.75%	10 years	Government
Conversion of existing financial debt into bonds redeemable in shares (ORA)	(2)	Conversion to equity	163.0	Eurib +4.75% to 5%	6.5 years	Banking consortium and Martin GmbH
Restructuring of MT financing	(3)		43.8			Banking consortium, Government
Of which repayment on sale of O&M		*Repayment*	*21.9*			
Of which rescheduling		*Rescheduling*	*21.9*	*Eurib+6%*	*2.5 years*	
Bond restructuring	(4)	Restructuring	45.0			Martin GmbH
Of which conversion into ORA (included in point 2)		*Conversion*	*20.0*			
Of which rescheduling		*Rescheduling*	*7.5*	5%	*2.5 years*	
Of which repayment in LAB shares		*Repayment*	*17.5*			
New bank guarantee	(5)	Guarantee	228.3	-	March 31, 2022	Banking consortium and insurers

(1) On March 25, 2021, the French government granted a six-month bridge loan of €40 million in rescue aid, bearing interest at Euribor plus 4% (zero floor). This loan will be replaced by a participating loan of the same principal amount, maturing in 10 years, with an annual interest rate of 4.75% and a grace period of five years.

(2) Existing financial debt including the syndicated RCF and Exensor medium-term loan (for €138 million), the Martin GmbH bond (for €20 million) and certain bank overdrafts will be converted into 16,300,000,000 bonds redeemable in shares (ORA), each with a par value of €0.01 and a maturity of 6.5 years.

The bonds redeemable in shares are converted to equity upon exercise of an option by the bondholder in the event of default, or automatically after 6.5 years. These bonds may be repaid in cash at any time, at CNIM's discretion. Payment is only due in the event of compulsory liquidation or if CNIM decides to initiate a safeguard procedure.

The bonds redeemable in shares break down into two tranches: tranche A of €35 million, bearing interest at Euribor plus 5% (zero floor), including 1% payable annually and 4% capitalizable, and tranche B of €128 million, bearing interest at Euribor plus 4.75% per annum (zero floor), including 0.75% payable annually and 4 % capitalizable).
Capitalizable interest is only due in the event of repayment in cash.
If the bonds redeemable in shares are fully repaid in cash, the bondholders will also receive an additional flat-rate remuneration of €20 million.
If they are converted to equity, the conversion parity price would be 0.065 newly-issued ordinary shares for 100 bonds.
Given these characteristics, CNIM will recognize these instruments under equity. Only interest payable annually will give rise to the recognition of a liability (of approximately €8.5 million).
(3) Repayment of the medium-term loan granted by the government (development fund) and the banking consortium was not due at April 30, 2021. The loans will be amortized on a straight-line basis and at each quarter as of December 11, 2021 and settled on September 11, 2023.
Proceeds from the disposal of CNIM's O&M and Biomass businesses expected during the first half of 2021 will be allocated, as a priority, to repaying half of the principal amounts of these loans. Half of the proceeds from the sale of Bertin IT (or a minimum of €2 million) will be allocated to repaying the principal amount of these loans.
(4) The Martin GmbH bond will be converted into bonds redeemable in shares for €20 million (considered equal to the amount of existing financial debt).
CNIM will increase the share capital of LAB by €17.5 million (based on the 2020 financial statements of LAB, adjusted at the reporting date) for the benefit of Martin GmbH, in exchange for the settlement of an equivalent portion of the bond.
Following this transaction, GmbH will obtain a 49% minority stake in LAB, in which CNIM will maintain control under IFRS.
Amortization of the outstanding balance of the bond amounting to €7.5 million will be rescheduled and recognized on a straight-line basis at each quarter as of June 11, 2022, to be fully repaid by September 11, 2023.
(5) These bank guarantees cover the performance bonds that the Group is required to to enter into the construction contracts forecast in the business plan for 2021 and early 2022. The maturity/effective date indicated in the table above refers to the date the guarantee may be called. These bank guarantees supplement the existing guarantees under ongoing contracts. They will be maintained on condition that CNIM signs two new EPC contracts by December 1, 2021.

To summarize, the protocol has four key components (i) the conversion of existing financial debt into bonds redeemable in shares qualifying as equity, (ii) divestment of CNIM's O&M and Bertin IT business generating a capital gain and the use of proceeds to partially repay medium-term debt, (iii) issuance of the participating loan and (iv) renewal of bank guarantees, will have the following effects on CNIM's liabilities:

- Reduction in financial debt by almost €160 million,
- Replenishment of equity by almost €200 million.

Moreover, the protocol provides for:

- Implementation of an asset disposal plan at the end of 4.5 years to generate cash for CNIM Group and enable it to pay off its creditors;
- A performance-based remuneration scheme for employees and managers, the details of which are currently under discussion, subject to a vote by shareholders at their Annual General Meeting.

The bonds redeemable in shares, existing trusts and bank guarantees will be subject to the usual default clauses, as well as cross default clauses relating to Soluni, the holding company with a majority stake in CNIM Groupe. The cross default clauses relating to Soluni cover four scenarios: Soluni (i) decides to no longer support CNIM's financial restructuring, (ii) defaults on its payment obligations with regard to its financial debt, (iii) is subject to a court-ordered insolvency procedure (*procédure collective*) and (iv) initiates legal proceedings to prevent or delay the repayment of its financial debt or call into question the validity or effectiveness of the guarantees it granted.

Asset disposals

1) As part of its financial restructuring and the financial backing and divestment program reported in the press release of April 29, 2020, the Group undertook the following divestments:

(in € millions)		Date	Proceeds from disposals net of transaction costs	Accounting gains or losses (consolidated)
Paris registered office premises		April 17, 2020	40.7	31.9
Non-controlling interests in DWS, HWS, WWS	(1)	July 23, 2020	1.5	(1.4)
Bertin Energie Environnement business	(2)	Sept. 30, 2020	*1.3*	*(0.1)*
Non-controlling interest in Technoplus Industrie		Nov. 4, 2020	2.0	(3.4)

(1) The Group entered into an agreement to sell its indirect non-controlling interests in Dudley Waste Services Ltd (DWS), Hanford Waste Services Holding Ltd (HWS) and Wolverhampton Waste Services Ltd (WWS), owners of waste-to-energy processing plants in the United Kingdom, to investment fund iCON Infrastructure. The conditions precedent to the agreement were fulfilled on July 23, 2020.

(2) The Group sold the Bertin Energie Environnement (BEE) business, comprising 70 engineers, to Naldeo Group. BEE provides customers additional expertise in technological consulting services, process engineering, industrial risk management, operating safety, industrial performance, renewable and decentralized power generation, as well as software and digital solutions.

The process to sell the O&M, Biomasse and Bertin IT business is well advanced. The Group has signed the associated contracts, which will be finalized in the second quarter of 2021.

2) O&M

The Group has entered into exclusive negotiations with Paprec for the sale of its O&M business, which groups together its subsidiaries specialized in the operation and maintenance of waste-to-energy processing plants.

3) Biomass

The Group has entered into exclusive negotiations with investment fund PEARL Infrastructure Capital for the sale of the biomass business of the Akuo Group in mainland France, which includes CNIM Groupe's non-controlling interests in the project companies Kogeban and CBEM, and the operation and maintenance company Picardie Biomasse Energie.

4) Bertin IT

The Group has entered into exclusive negotiations with ChapsVision for the sale of Bertin IT and Vecsys, subsidiaries of Bertin Technologies specialized in advanced software solutions for cyber-security, cyber intelligence, strategic intelligence and voice recognition.

Change in governance

On July 31, 2020, at their General Meeting, the shareholders of CNIM Groupe approved the project to change the legal form of CNIM Groupe to a public limited company incorporated in France (*Société anonyme*) with a Board of Directors.

Consequently, the terms of office of the members of the Management Board and Supervisory Board were terminated. The Company is now managed and governed by a Board of Directors and Chief Executive Officer to whom each Division Head directly reports.

At the General Meeting, Mr Nicolas Dmitrieff was appointed director and subsequently, at the Board of Directors' meeting, Chairman of the Board.

The appointment of Mr Burgard as CEO of CNIM Groupe at the Supervisory Board meeting of May 26, 2020, was confirmed by the Board of Directors on July 31, 2020. Mr Burgard had previously been appointed director by shareholders at their General Meeting on July 31, 2020.

Legal reorganization of the Group

In 2018, CNIM Group initiated a wide-ranging review in order to (i) simplify the legal structure of its businesses, and (ii) improve governance and management. The main objectives of the review were to spin off, by means of partial asset contributions and then reclassify, on the one hand, all of CNIM Groupe SA's activities and resources and, on the other hand, all of the subsidiaries, within a particular division, in and under a dedicated holding company placed at the head of the division in question.

At December 31, 2020, the reorganization was achieved as follows:

- The Divisions spun off through partial asset contributions were: I&S CSI, E&E Services, E&E O&M, and CNIM Mutual Services, which provides intercompany IT, accounting and payroll services;
- The partial asset contribution of the E&E EPC Division was effective as of November 1, 2020, subject to French regulations on spin-offs.

As a result, the parent company CNIM Groupe SA no longer performs operating activities for the divisions other than for contracts that have not been transferred. It now acts as a holding company, which involves managing the Group and providing cross-functional services to the subsidiaries. For this purpose, it has grouped together all the members of the Executive Committee and the employees responsible for Corporate cross-functional support functions. In addition, CNIM Group SA holds the Group's real estate assets and some brands and other intellectual property rights, which are made available to its subsidiaries.

The effect of the EPC asset contributions at December 31, 2020 is summarized below:

At Dec. 31, 2020 (in € millions)	Carrying amount before transfer of assets	Transfer of EPC assets at October 31, 2020	Value of CNIM E&E EPC securities	Carrying amount after transfer of assets
Intangible assets	14.5	- 12.5	-	2.0
Property, plant and equipment	16.1	-	-	16.1
Financial assets	212.2	- 2.4	20.0	229.8
NON-CURRENT ASSETS	**242.9**	**- 14.9**	**20.0**	**248.0**
Inventories and work in progress	0.4	-	-	0.4
Advances and down payments made on orders	5.3	- 4.9	-	0.4
Trade and other receivables	126.0	- 96.1	-	29.9
Other receivables	165.3	- 8.7	-	156.6
Current account contribution	0.1	- 0.1	-	-
Marketable securities	0.2	-	-	0.2
Cash	54.4	-	-	54.4
Prepaid expenses	1.0	-	-	1.0
CURRENT ASSETS	**352.7**	**- 109.8**	**-**	**243.0**
Expenses to be allocated to future reporting periods	0.4	-	-	0.4
Unrealized exchange losses	4.8	- 1.9	-	2.9
TOTAL	**600.8**	**- 126.5**	**20.0**	**494.3**

At Dec. 31, 2020 (in € millions)	Carrying amount before transfer of assets	Transfer of EPC assets at October 31, 2020	Constitution of current account	Carrying amount after transfer of assets
EQUITY	**- 159.4**	**-**		**- 159.4**
PROVISIONS FOR CONTINGENCIES AND LIABILITIES	**93.8**	**- 64.6**		**29.2**
Bank borrowings and debt	178.4	-		178.4
Other borrowings and debt	238.7		165.3	404.0
TOTAL BORROWINGS AND DEBT	**417.0**	**-**	**165.3**	**582.4**
Advances and down payments received	0.1	-	-	0.1
Operating liabilities	-	-	-	-
Trade and other payables	92.6	- 68.0	-	24.7
Social security and tax payables	18.9	- 5.0	-	13.9
Other liabilities	0.3	-	-	0.3
TOTAL LIABILITIES	**111.9**	**- 73.0**	**-**	**38.9**
Deferred income	134.9	- 132.2	-	2.7
Unrealized exchange gains	2.5	- 2.0	-	0.5
TOTAL	**600.8**	**- 271.8**	**165.3**	**494.3**

NOTE 4 Intangible assets

(in € thousands)	Dec. 31, 2019	Increases due to acquisitions	Inter-account transfers	Changes due to amortization and impairment (1)	Partial transfer of assets (2)	Dec. 31, 2020
Concessions, patents, licences	2,017				(1,601)	416
Other intangible assets	462	51				512
Business goodwill	14,129				(12,500)	1,629
Capitalized development costs						-
Assets in progress	68					68
GROSS VALUE	**16,675**	**51**	**-**	**-**	**(14,101)**	**2,624**
Concessions, patents, licences	1,757				(1,601)	156
Other intangible assets	445			18		463
Business goodwill						-
Capitalized development costs						-
ACCUMULATED AMORTIZATION & IMPAIRMENT	**2,202**	**-**	**-**	**18**	**(1,601)**	**619**
CARRYING AMOUNT	**14,473**	**51**	**-**	**(18)**	**(12,500)**	**2,005**

(1) Impairment losses (+) Impairment reversals (-)
(2) Partial contributions (transfer of assets) from CNIM Groupe SA to its subsidiary CNIM E&E EPC on November 1, 2020, subject to French regulations on spin-offs (as mentioned in Note 3).

Business goodwill comprises:

(in € thousands)	Dec. 31, 2019	Contributions	Dec. 31, 2020
Goodwill – BTP/BTA merger deficit	1,629		1,629
Goodwill - CNIM Environnement full transfer of assets (‘TUP’)	12,500	(12,500)	-
TOTAL	**14,129**	**(12,500)**	**1,629**

Business goodwill is allocated to a group of assets, which is tested for impairment using the discounted cash flow method. As the recoverable amount of each group was higher than their carrying amount, no impairment loss was recognized.

Business goodwill of TUP CNIM Environnement was allocated to the EPC division, while the business goodwill from the BTP/BTA merger deficit was allocated to the Bertin division.

NOTE 5 Property, plant and equipment

(in € thousands)	Dec. 31, 2019	Increases from acquisitions	Reclass-ification	Decreases	Changes due to depreciation and impairment (1)	Partial transfer of assets (2)	Dec. 31, 2020
Land and improvements	**2,792**			**(4)**			**2,788**
Buildings on owned land	19,231						19,231
General facilities, building fixtures and improvements	17,898	42	27	(364)			17,603
Buildings	**37,129**	**42**	**27**	**(364)**	-	-	**36,834**
Technical facilities, equipment and tooling	**12,080**			**(27)**			**12,053**
Transport and handling equipment	666						666
Office and computer equipment, furniture	1,178			(9)			1,168
Recoverable packaging and other items	2,462	3		(55)			2,410
Other property, plant and equipment	**4,306**	**3**	-	**(64)**	-	-	**4,244**
Assets under construction	**46**	**2,394**	**(27)**				**2,412**
GROSS VALUE	**56,353**	**2,438**	-	**(459)**	-	-	**58,332**
Land and improvements	**291**				**7**		**297**
Buildings on owned land	14,280				171		14,451
General facilities, building fixtures and improvements	11,520				1,103		12,622
Buildings	**25,800**	-	-	-	**1,274**	-	**27,074**
Technical facilities, equipment and tooling	**11,518**				**168**		**11,686**
Transport and handling equipment	626				25		651
Office and computer equipment, furniture	2,230				248		2,478
Recoverable packaging and other items	-						-
Other property, plant and equipment	**2,856**	-	-	-	**273**	-	**3,129**
DEPRECIATION AND IMPAIRMENT	**40,464**	-	-	-	**1,722**	-	**42,186**
CARRYING AMOUNT	**15,889**	**2,438**	-	**(459)**	**(1,722)**	-	**16,146**

(1) Impairment losses (+) Impairment reversals (-)

NOTE 6 Non-current financial assets

(in € thousands)	Dec. 31, 2019	Increases	Decreases	Trust	Partial transfer of assets [1]	Dec. 31, 2020
Equity interests	**173,340**	**5,528**		**(151,654)**	**15,966**	**43,180**
Receivables from equity investments	**65,713**	**717**	**(8,188)**	**151,654**		**209,895**
Equity securities held for investment (TIAP)	3,538					3,538
Other long-term investments	6,275	124	(5,687)			712
Loans	350		(301)			50
Treasury shares	16,533					16,533
Deposits and guarantees	73	1,384				1,457
Other financial assets	**26,769**	**1,508**	**(5,988)**	**-**	**-**	**22,289**
GROSS VALUE	**265,822**	**7,753**	**(14,176)**		**15,966**	**275,365**
Equity interests	**4,919**		**(133)**		**(1,642)**	**3,145**
Receivables from equity investments	**26,966**		**(523)**			**26,443**
Equity securities held for investment (TIAP)	684	789				1,473
Other long-term investments	5,637	667	(5,637)			667
Loans	-					-
Treasury shares	11,812	1,979				13,791
Deposits and guarantees	-					-
Other financial assets	**18,133**	**3,435**	**(5,637)**	**-**	**-**	**15,931**
IMPAIRMENT	**50,018**	**3,435**	**(6,293)**		**(1,642)**	**45,518**
CARRYING AMOUNT	**215,804**	**4,318**	**(7,883)**		**17,608**	**229,847**

(1) Partial asset contributions (transfer of assets) by CNIM Groupe SA to its subsidiary CNIM E&E EPC on November 1, 2020, subject to French regulations on spin-offs (as mentioned in Note 3).

A. Equity investments

(in € thousands)	Dec. 31, 2020			
	Gross value	Impairment	Carrying amount	% holding
Babcock Services	5,661	619	5,042	100%
BERTIN Technologies	3		3	0.01%
CCUAT	82		82	50%
CNIM 10	3		3	100%
CNIM 4	8	3	5	100%
CNIM 6 (formerly BWHolding)	2,453	291	2,163	100%
CNIM 9	3		3	100%
CNIM ASIA PACIFIC LTD	1		1	100%
CNIM CONSTRUCTION LLC	35		35	49%
CNIM E&E EPC (formerly CNIM 13)	20,008		20,008	100%
CNIM E&E O&M (formerly CNIM 7)	1		1	0.01%
CNIM E&E PARTICIPATIONS (formerly CNIM 11)	3		3	0.01%
CNIM E&E SERVICES (formerly CNIM 12)	1		1	0.01%
CNIM ENVIRONNEMENT & ENERGIE (formerly CNIM 3)	3	3	-	0.01%
CNIM INDUSTRIE	60	60	0	100%
CNIM INNOVATION & SYSTEMES (formerly CNIM 2)	3	3	-	100%
CNIM Middle East	37		37	100%
CNIM MUTUAL SERVICES (formerly CNIM 1)	6,719	3	6,717	100%
CNIM PRIVATE COMPAGNIES MANAGEMENT	35		35	49%
CNIM SAOUDI	1,328	1,328	-	94%
CNIM SYSTEMES INDUSTRIELS (formerly CNIM 8)	6		6	0.01%
CNIM THIVERVAL GRIGNON (CTG)	4,400	-	4,400	100%
CNIM US	178		178	100%
CTIPE	4	4	-	100%
DAUPHINE	1	1	-	100%
LAB	2		2	0.01%
PBE	962	829	133	49%
SCI 35, rue de Bassano	0		0	0.20%

SMA	63		63	3%
SOMMUDIMEC	4	4	-	0%
SUNCNIM	1,117		1,117	56%
TOTAL	**43,180**	**3,145**	**40,035**	

Changes in equity investments in the reporting period include:

Increases

- Acquisition of CNIM Thiverval Grignon (held by CNIM E&E O&M at Dec. 31, 2019)
- SUNCNIM (held by CNIM E&E O&M at Dec. 31, 2019)

Decreases

- None; decreases relating to the trusts are not included

Partial asset contribution capital in connection with the Group's legal reorganization (as mentioned in Note 3)

- Contributions of shares:

(in € thousands)	Gross value	Impairment	Carrying amount	% interest	Investees
CNIM RUS	0.3		0	100%	CNIM Environment & Energy EPC
EKOMZ	2		2	100%	CNIM Environment & Energy EPC
CNIM UK - MARTIN ENG SYSTEM LTD	2,371		2,371	35%	CNIM Environment & Energy EPC
CNIM BABCOCK SULAMERICA	6	6	-	85%	CNIM Environment & Energy EPC
CNIM JERSEY - CSBC	1	1	-	100%	CNIM Environment & Energy EPC
CNIM SWITZELAND	19		19	100%	CNIM Environment & Energy EPC
CNIM INDIA	1,635	1,635	-	100%	CNIM Environment & Energy EPC
TOTAL	**4,034**	**1,641**	**2,393**		

- Remeasured shares of the companies receiving the contributions:

(in € thousands)	TOTAL
CNIM E&E EPC	20,000
TOTAL	20,000

B. Receivables relating to equity investments

(in € thousands)	Gross value	Impairment	Carrying amount
CSI trust - CNIM CSI securities	59,614		59,614
E&E trust – CNIM E&E Participations securities	30,999		30,999
BERTIN trust - BERTIN TECHNOLOGIES securities	30,489		30,489
E&E trust – LAB securities	18,498		18,498
E&E trust - CNIM E&E-Services securities	6,798		6,798
E&E trust - CNIM E&E O&M securities	5,248		5,248
SCI trust - SCI 35, rue de Bassano securities	8		8
E&E trust - CNIM E&E securities	0	0	-
E&E trust - LAB USA receivables	23,673	23,673	-
E&E trust - CBM receivables	643		643
CSI trust - CNIM CANADA receivables	2,770	2,770	-
Bertin trust - BERTIN TECHNOLOGIE receivables	20,000		20,000
CBEM (Estrées Mons)	5,133		5,133
GER PBE	503		503
Kogeban	3,772		3,772
PBE	1,227		1,227
Other	522		522
TOTAL	**209,896**	**26,442**	**183,453**

In the reporting period, receivables relating to SCI Bassano equity investments were written off for an aggregate €8,188 thousand.

C. Other non-current financial assets

Portfolio investments

Loans mainly comprise:

- 5,471 Foster Wheeler Fakop shares (€1,051 thousand) accounting for 10.96% of share capital;
- 21,487 Kogeban shares (€1,867 thousand), accounting for 10.87% of share capital. The shares were written down by €1,056 thousand;

- 2,450 CBEM shares (€613 thousand), accounting for 7% of share capital. The shares were written down by €409 thousand.

Treasury shares

The number of treasury shares included in non-current financial assets was 188,449 at December 31, 2020.

NOTE 7 Maturities of receivables

(in € thousands)	Gross amount	Dec. 31, 2020		
		Due date less than 1 year	Due date 1-5 years	Due date more than 5 years
Receivables related to equity investments	209,896	198,740	11,156	
Loans	49	25	24	
Deposits and guarantees	1,457		1,457	
Receivables on non-current assets	**211,401**	**198,765**	**12,636**	**-**
Doubtful receivables	-	-		
Trade notes receivable	-	-		
Other trade accounts receivable	30,707	30,707		
Trade and other receivables	**30,707**	**30,707**	**-**	**-**
Amounts due from personnel	1,054	1,054		
Amounts due from social security organizations	262	262		
Amounts due from government and other public authorities	51,178	51,178		
Other receivables	1,478	1,478		
Group and associates	152,868	152,868		
Other operating receivables	**206,840**	**206,840**	**-**	**-**
Prepaid expenses	954	954		
TOTAL RECEIVABLES	**449,902**	**437,265**	**12 636**	**-**

NOTE 8 Marketable securities

(in € thousands)	Dec. 31, 2020		Dec. 31, 2019	
	Number of shares	Amount	Number of shares	Amount
TREASURY SHARES (liquidity agreement)	15,262	233	14,341	1,002
HSBC			-	-
BNP PARIBAS MONEY 3M	1	23	1	23
TOTAL	**15,263**	**256**	**14,342**	**1,025**
Impairment of treasury shares		(11)		(642)
Carrying amount		**245**		**382**
Purchase price of treasury shares		233		1,002
Market value		222		359
Unrealized capital gain on marketable securities after tax		-		-

NOTE 9 Adjustment accounts (Assets)

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Prepaid expenses	954	9,582
Expenses to be allocated to future reporting periods	416	612
Unrealized exchange losses	2,896	359
TOTAL	**4,266**	**10,552**

Expenses to be allocated to future reporting periods relate to management and service fees paid by the Company in connection with the rollover of its medium-term credit facility and are recognized over a five- and six-year period.

NOTE 10 Changes in equity

(in € thousands)	Dec. 31, 2019	Prior year net income (loss) appropriation	Net income (loss) for the period	Dec. 31, 2020
Share capital	6,056			6,056
Additional paid-in capital	7,237			7,237
Legal reserve	606			606
Retained earnings	88,179	(156,848)		(68,668)
Tax-driven provisions	696			696
Equity before net income (loss) for the period	**102,774**	**(156,848)**	**-**	**(54,074)**
Net income (loss) for the period	(156,848)	156,848	(105,337)	(105,337)
TOTAL	**(54,074)**	**-**	**(105,337)**	**(159,411)**

At December 31, 2020, share capital amounted to €6,056,220 divided into 3,028,110 fully-paid shares with a par value of €2. There were no changes in the reporting period.

NOTE 11 Tax-driven provisions

(in € thousands)	Dec. 31, 2019	Increases	Decreases	Dec. 31, 2020
Accelerated depreciation/amortization	696	-	-	696
Investment grants	-			-
TOTAL	**696**	**-**	**-**	**696**

Accelerated depreciation/amortization is used mainly for tooling.

NOTE 12 Provisions for contingencies and liabilities, and asset impairments

(in € thousands)	Dec. 31, 2019	Additions	Reversals (utilizations)	Reversals (surplus)	Partial transfer of assets [1]	Dec. 31, 2020
Provisions for litigation	3,633	883	(76)	(86)	(390)	3,964
Provisions for guarantees	3,294	3,474		(1,206)	(5,540)	22
Provisions for unrealized exchange losses	341	2,887	(341)			2,887
Provisions for losses at completion	54,571	23,465	(27,245)		(50,602)	189
Other contingency provisions	895	44		(343)	(108)	488
Provisions for contingencies	**62,733**	**30,752**	**(27,661)**	**(1,635)**	**(56,640)**	**7,549**
Provisions for long-service awards	137				(119)	18
Accrued expenses on completed contracts	19,589	16,648	(1,094)	(5,669)	(7,846)	21,628
Provisions for liabilities	**19,726**	**16,648**	**(1,094)**	**(5,669)**	**(7,965)**	**21,646**
TOTAL PROVISIONS FOR CONTINGENCIES AND LIABILITIES	**82,459**	**47,400**	**(28,755)**	**(7,304)**	**(64,606)**	**29,195**
Impairment of intangible assets and PP&E	**25**					**25**
Equity investments and other receivables	31,885			(523)	(1,641)	29,721
Other financial assets	18,133	3,435		(5,637)		15,931
Impairment of financial assets	**50,018**	**3,435**	**-**	**(6,160)**	**(1,641)**	**45,651**
Raw material inventories	1,124	53				1,177
Trade accounts receivable	2,363	5		(1,546)	(61)	762
Advances and down payments made on orders	4,964					4,964
Other receivables	40,968	9,258				50,226
Marketable securities	643		(632)			11
Provisions for impairment of current assets	**50,063**	**9,316**	**(632)**	**(1,546)**	**(61)**	**57,141**
ASSET IMPAIRMENT	**100,105**	**12,751**	**(632)**	**(7,705)**	**(1,702)**	**102,817**
TOTAL PROVISIONS FOR CONTINGENCIES, LIABILITIES AND ASSET IMPAIRMENT	**182,564**	**60,151**	**(29,387)**	**(15,009)**	**(66,308)**	**132,011**
Operating items		44,057	(37,264)			
Financial items		15,211	(1,495)			
Non-recurring items		750	(5,637)			
TOTAL		**60,018**	**(44,396)**			

(1) Partial asset contributions (transfer of assets) by CNIM Groupe SA to its subsidiary CNIM E&E EPC on November 1, 2020, subject to French regulations on spin-offs (as mentioned in Note 3).

The provision for long-service awards at December 31, 2020 was calculated using actuarial methods based on assumptions regarding the age of employees when they are granted the long-service bonuses, mortality (INSEE table TGH-TGF 2005), the number of years of service and personnel turnover. An inflation rate of 2% and discount rate of 0.8% (including inflation) were used.

NOTE 13 Loans and borrowings

(in € thousands)	Gross amount	Dec. 31, 2020		
		Less than 1 year	1-5 years	More than 5 years
Bank overdrafts	5,005	5,005		
Other bank loans and borrowings	173,383	41,383	132,000	
Bank borrowings and debt	**178,388**	**46,388**	**132,000**	**-**
Miscellaneous non-Group borrowings and debt	82,883	18,281	64,602	
Current accounts liabilities (Group)	321,119	321,119		
Miscellaneous borrowings and debt	**404,003**	**339,401**	**64,602**	**-**
Trade and other payables	24,658	24,658		
Social security and tax payables	13,855	13,855		
Other liabilities	272	272		
TOTAL	**621,176**	**424,574**	**196,602**	**-**

In June 2020, the Group obtained new loans in connection with the conciliation protocol signed in April 2020 with its financial partners:

- Medium-term bank loan of €35 million at a floating rate (Euribor + 6%), with an initial maturity of 12 months and two six-month extension options. This credit line had been fully drawn down at December 31, 2020;
- Medium-term government loan (development fund) of €8.75 million at a floating rate (Euribor + 6%), with an initial maturity of 12 months and two six-month extension options. This credit line had been fully drawn down at December 31, 2020;
- €45 million bond, bearing interest at a fixed rate of 5%, taken out by Martin GmbH. The bond was subscribed in part by offsetting the short-term loan taken out by Martin GmbH in 2019 (€20 million) and by a partial cash contribution of €25 million. It matures on December 31, 2025.

Other bank loans and borrowings (in thousands of euros)

At December 31, 2020, the balance of bank loans and borrowings comprised the following:

- Drawdown of the renewable credit line: €120,000 thousand;
- Medium-term bank loan: €35,000 thousand;
- Loan to invest in the Exensor company: €18,000 thousand;

Miscellaneous borrowings and debt

Miscellaneous external borrowings and debt comprised the following:

- Martin GmbH bond for €45,000 thousand;
- Factoring of tax receivables (research tax credit) to BPI: €29,130 thousand;
- Medium-term government loan (development fund): €8,750 thousand;
- ‘Other’ for €3.6 thousand.

NOTE 14 Adjustment accounts (Liabilities)

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Deferred income	2,694	58,259
Unrealized exchange gains	527	646
TOTAL	**3,221**	**58,905**

2019 deferred income related primarily to contracts currently operated by CNIM E&E EPC.

NOTE 15 Unrealized exchange losses

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Unrealized exchange losses	2 896	359
Provisions for contingencies	(2,887)	(341)
NET	**9**	**19**

Provisions are only recognized for unrealized exchange losses relating to unhedged transactions (see Note 2.I).

NOTE 16 Expenses payable

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Trade accounts payable	10,488	85,837
Social security and tax payables	7,549	7,853
TOTAL	**18,037**	**93,690**

NOTE 17 Revenue – Increase in semi-finished and finished goods

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
France	74,857	221,982
Export	103,732	176,051
Revenue	**178,588**	**398,032**
France	(144)	-
Export		(2,514)
Increase (decrease) in semi-finished and finished goods	**(144)**	**(2,514)**
TOTAL	**178,445**	**395,518**

The change in revenue was due to the partial asset contributions recognized at December 31, 2019 (CSI, Services, O&M) and the EPC partial asset contribution of November 1, 2020 (i.e. 10 months of business in 2020 compared with 12 months in 2019).

Breakdown of revenue by operating segment

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Environment & Energy	167,794	298,431
Innovation & Systems	10,794	99,601
TOTAL	**178,588**	**398,032**

Breakdown of revenue by geographic area

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
France	68,086	218,646
United Kingdom	70,279	155,785
Rest of Europe	40,154	5,651
Asia	-	2,811
Other	70	15,141
TOTAL	**178,588**	**398,032**

Expense transfers

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Insurance indemnities	1,770	3,414

NOTE 18 Net financial income (loss)

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019	Dec. 31,2018
Dividends received from investments (1)	2	74,221	7,239
Proceeds from disposals of marketable securities	0	8	9
Interest on non-current financial assets	1,261	2,041	2,214
Interest on receivables	44	92	76
Reversals of provisions for exchange losses	341	316	1,070
Reversals of other provisions	1,492	3,177	5,758
Foreign exchange gains	7,056	2,849	3,883
FINANCIAL INCOME	**10,195**	**82,704**	**20,250**
Provisions for exchange losses	2,887	342	316
Impairment losses (2)	12,661	36,324	14,222
Interest on current accounts and short-term investments	7,229	1,933	794
Other financial expenses	(253)	456	66
Net expenses on disposal of marketable securities	779	507	206
Foreign exchange losses	10,244	6,096	2,634
FINANCIAL EXPENSE	**33,548**	**45,658**	**18,237**
NET FINANCIAL INCOME (LOSS)	**(23,352)**	**37,046**	**2,013**

(1) Dividends received from investments in 2019 were as follows:

COA Dividends	230
LAB Dividends	2,612
CNIM NETHERLANDS Dividends	65,087
CTG Dividends	720
CNIM UK Dividends	3,493
BERTIN Dividends	2,000
SMA Dividends	78
TOTAL	**74,221**

(2) Impairment losses recognized in the reporting period were as follows:

Impairment of CNIM Groupe SA treasury shares	1,979	10,732
Impairment of securities	1,660	1,635
Impairment of current accounts	9,023	
TOTAL	**12,661**	**36,324**

NOTE 19 Non-recurring income (expense)

(in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Reversal of depreciation, amortization and provisions	-	2,095
Proceeds from disposals of intangible assets and PP&E	932	860
Proceeds from disposal of financial assets	50	6
NON-RECURRING INCOME	**982**	**2,961**
Charges to depreciation, amortization and provisions	750	625
Carrying amount of intangible assets and PP&E sold	350	472
Carrying amount of financial assets sold	50	3,135
Other (1)	15,908	7,420
NON-RECURRING EXPENSES	**17,058**	**11,652**
NET NON-RECURRING INCOME (EXPENSE)	- **16,076**	- **8,691**

(1) Other non-recurring expenses primarily include:

- Restructuring or adaptation costs relating to the Group's legal reorganization: €13.6 million;
- The effect of the CNIM Babcock Maroc debt waiver: €1.6 million
- Costs relating to employees leaving the Company and not being replaced: €0.6 million

NOTE 20 Income tax

A. Consolidated tax group

(in € thousands)		Dec. 31, 2020 Contribution to consolidated tax group net income (loss)	Contribution to Group tax	Tax due not concerning consolidated tax group
CNIM – head of tax group		(97,464)	-	-
Contribution of subsidiaries after use of tax carry-forwards arising prior to tax consolidation	Loss-making subsidiaries	(54,823)	-	
	Profit-making subsidiaries	5,620	-	1,647
Consolidated net income (loss)		(146,667)		
Payable consolidated income tax expense				
Tax savings				1,647

B. Breakdown of income tax expense

Dec. 31, 2020	Profit (loss) before income tax and employee profit sharing expense		Income tax					Net income
(in € thousands)	Accounting	Tax	Other	Tax on dividends	Tax savings (tax consolidation)	Research tax credit and other	Due	Accounting
France	(91,965)	(83,709)			1,647	489	2,137	(89,828)
International	712	716	(146)				(146)	566
Recurring	**(91,252)**	**(82,992)**	**(146)**	**-**	**1,647**	**489**	**1,991**	**(89,261)**
Non-recurring	**(16,076)**	**(14,472)**				-	-	(16,076)
TOTAL	**(107,328)**	**(97,464)**	**(146)**	**-**	**1,647**	**489**	**1,991**	**(105,337)**
France	(108,040)	(98,180)	-	-	1,647	489	2,137	(105,903)
International	712	716	(146)				(146)	566
TOTAL	**(107,328)**	**(97,464)**	**(146)**	**-**	**1,647**	**489**	**1,991**	**(105,337)**

C. Taxable and deductible temporary differences

Cumulative tax losses at December 31, 2020 amounted to €311,365.

Nature of temporary differences	Dec. 31, 2020	
(in € thousands)	Amount	Rate
- Accelerated depreciation/amortization	696	27.37%
- Unrealized exchange losses	2,887	27.37%
TAXABLE TEMPORARY DIFFERENCES	**3,583**	
Corporate income tax – Deferred tax liability	981	
Provisions and expenses not deductible in the year of recognition, Unrealized gains already taxed		
- Social security compensation tax for 2020	92	27.37%
- Other provisions	3,247	27.37%
- Provisions for losses at completion	189	27.37%
- Unrealized exchange gains	527	27.37%
DEDUCTIBLE TEMPORARY DIFFERENCES	**4,054**	
Corporate income tax – Deferred tax asset	1,110	

D. Effect of favorable tax treatment on net income

(in € thousands)	Dec. 31, 2020
Net income for the period	(105,337)
Charges to tax-driven provisions	
Reversals of tax-driven provisions	
Decrease in income tax due to provisions	
Increase in income tax due to provision reversals	
Net income excluding effect of tax treatment	**(105,337)**

NOTE 21 Off-balance sheet commitments

Commitments given (in € thousands)	Subsidiaries	Dec. 31, 2020	Dec. 31, 2019
Contract guarantees		184,932	519,556
Including guarantees given on behalf of subsidiaries	CCF		119
	CNIM Singapore		3,467
	COA	184	184
	CTE		372
	CTF		265
	CTG		873
	Engineers FZC		5,500
	BERTIN Technologie		3,949
	LAB SAS	4,457	22,720
	LAB USA Corp.	638	4,451
	LAB Washington		697
	MESE		3,426
	SUNCNIM	5,587	26,959
	DSO	270	
	CNIM DT	4,272	
	CNIM EPC	46,192	
	VECSYS		-
	JVs CLUGSTON		250,777
	JVs LAGAN		12,535
	CPCM	51,748	38,722
	LAB GmbH		2,001
	Babcock Wanson Polska		50
	TOTAL	**113,347**	**377,066**

Commitments received (in € thousands)	Dec. 31, 2020	Dec. 31, 2019
Bonds received from suppliers	86,761	71,409

Reciprocal commitments 2020					
Currency	Contract type	Amount	Guaranteed rate	Currency	+/- 1 year
AED	Forward purchase	157,000	4.8912	EUR	- 1 year
CNH	Forward purchase	58,086,108	7.9806	EUR	+ 1 year
GBP	Forward purchase	138,482,873	0.9023	EUR	+ 1 year
USD	Forward purchase	4,105,000	1.2381	EUR	+ 1 year
AED	Forward sale	8,000,000	4.4943	EUR	- 1 year
CHF	Forward sale	18,886,080	1.0924	EUR	+ 1 year
DKK	Forward sale	30,052,523	7.4617	EUR	- 1 year
GBP	Forward sale	29,463,000	0.8957	EUR	- 1 year
GBP	Forward sale	271,665,089	0.9071	EUR	+ 1 year
SGD	Forward sale	5,000,000	1.6236	EUR	- 1 year
USD	Forward sale	30,955,000	1.2124	EUR	- 1 year
USD	Forward sale	34,804,000	1.2475	EUR	+ 1 year

Reciprocal commitments 2019					
Currency	Contract type	Amount	Guaranteed rate	Currency	+/- 1 year
AED	Forward purchase	157,000	4.8912	EUR	+ 1 year
GBP	Forward purchase	29,514,271	0.8572	EUR	- 1 year
USD	Forward purchase	27,091,000	1.1799	EUR	- 1 year
USD	Forward purchase	8,948,000	1.2317	EUR	+ 1 year
CHF	Forward sale	1,578,220	1.1134	EUR	- 1 year
DKK	Forward sale	19,352,523	7.4671	EUR	+ 1 year
EUR	Forward sale	49,848,048	1.1455	GBP	- 1 year
EUR	Forward sale	169,196,445	1.1202	GBP	+ 1 year
GBP	Forward sale	22,721,357	0.8679	EUR	- 1 year
GBP	Forward sale	16,101,946	0.8930	EUR	+ 1 year
USD	Forward sale	35,611,000	1.1628	EUR	- 1 year
USD	Forward sale	70,171,000	1.2559	EUR	+ 1 year

Post-employment benefits (in € thousands)	**Dec. 31, 2020**	**Dec. 31, 2019 after partial transfer of assets**	**Dec. 31, 2019 before partial transfer of assets**
Retirement benefits [(1)]	619	4,577	11,540

(1) Retirement benefits due to all employees in service.

Retirement benefits at December 31, 2020 were calculated using actuarial methods, based on retirement age, INSEE mortality tables TGH05 and TGF05, the number of years of service and personnel turnover assumptions. They also take into account a salary increase rate of 1% (excluding inflation), an inflation rate of 2% and discount rate of 0.8% (including inflation).

NOTE 22 Headcount

	Average workforce 2020	**Average workforce 2019**	**Average workforce 2020 without EPC**	**Average workforce 2019 after partial transfer of assets**
Engineers and management	252	779	**66**	**301**
Office staff	76	307	**8**	**96**
Other employees	-	151	**-**	**3**
TOTAL	**328**	**1,236**	**74**	**399**

In accordance with Article D 123-200 of the French Commercial Code, the calculation of the average number of employees in the reporting period is the arithmetic average number of employees at the end of each quarter of the calendar year or reporting period if the latter is not based on the calendar year.

NOTE 23 Management compensation

(in € thousands)	**Dec. 31, 2020**			**Dec. 31, 2019**		
	Management bodies		**Senior management**	**Management bodies**		**Senior management**
	Executive Committee, Management Board and GMC [(1)]	**Supervisory Board and Board of Directors**		**Management Board and GMC [(1)]**	**Supervisory Board**	
Retirement benefit commitments	104		104	508		508
Remuneration	2,582	759	3,340	2,713	788	3,501

(1) Group Managers' Committee.

NOTE 24 Subsidiaries and equity investments

(in € thousands)	FR /INT (1)	Share capital	Retained earnings (before net income appropriation)	Net income (loss)	Equity interest (as a %)	Carrying amount of securities held		Outstanding loans and advances granted by the Company	Dividends
						Gross	Net		
A. DETAILED INFORMATION (2)									
1. Subsidiaries (equity interest > 50%)	-								
Babcock Services	ET	5,885	(870)	(17)	100,00	5,661	5,042		-
BERTIN Technologies	FR	18,000	38,085	1,061	0,01	3	3		
CNIM 10	FR	3	1	(2)	100,00	3	3	-	-
CNIM 4	FR	8	(7)	(2)	100,00	8	5	-	-
CNIM 6 (formerly BWHolding)	FR	50	2,109	(2)	100,00	2,453	2,163	-	-
CNIM 9	FR	3	1	(2)	100,00	3	3	-	-
CNIM E&E EPC (formerly CNIM 13)	FR	20,003	-	(10,427)	100,00	20,008	20,008	-	-
CNIM E&E O&M (formerly CNIM 7)	FR	2,518	2,725	6,699	0,01	1	1	-	-
CNIM E&E PARTICIPATIONS (formerly CNIM 11)	FR	31,003	(4)	(3)	0,01	3	3	-	-
CNIM E&E SERVICES (formerly CNIM 12)	FR	6,799	(6)	(10,702)	0,01	1	1	-	-
CNIM ENVIRONNEMENT & ENERGIE (formerly CNIM 3)	FR	3	(7)	(2)	0,01	3	-	-	-
CNIM INDIA	INT	3,125	(3,006)	(707)	52,02	-	-	-	-
CNIM INDUSTRIE	FR	39	(70)	(10)	100,00	60	0	-	-
CNIM INNOVATION & SYSTEMES (formerly CNIM 2)	FR	3	(7)	(2)	100,00	3	3	-	-
CNIM Middle East	INT	33	29	-	100,00	37	37	-	-
CNIM MUTUAL SERVICES (formerly CNIM 1)	FR	1,406	5,302	338	100,00	6,719	6,717	-	-
CNIM RUS	INT	0	3	-	100,00	0	0	-	-
CNIM Saoudi	INT	1,087	17,570	-	94,00	1,328	-	-	-
CNIM SWITZERLAND	INT	19	66	22	100,00	-	-	-	-
CNIM SYSTEMES INDUSTRIELS (formerly CNIM 8)	FR	30,231	29,382	(17,078)	0,01	6	6	-	-
CNIM UK / Martin E. S.	INT	1,785	320	12,994	100,00	-	-	-	
CNIM US	INT	163	(110)		100,00	178	178	-	-
Ekomz	INT	-	-	-	70,00	-	-	-	-
LAB	FR	2,750	18,366	276	0,01	2	2	-	
CNIM THIVERVAL GRIGNON	FR	40	44	771	100,00	4,400	4,400		
SUNCNIM	FR	248	7	(1,145)	100,00	1,117	1,117		
SCI 35, rue de Bassano	FR	8	25,761	6,813	0,20	0	0		-
2. Equity investments (equity interest between 10% and 50%)	-								
CCUAT	FR	153	0	(4)	49,88	82	82	-	-
CNIM CONSTRUCTION LLC	INT	67	22	(147)	49,00	35	35	-	-
CNIM PRIVATE COMPAGNIES MANAGEMENT	INT	67	-	(21)	49,00	35	35	-	-
PBE	FR	686	942	115	49,00	962	133	1,722	-
B. GENERAL INFORMATION (2)									
1. Subsidiaries (>50% equity interest)									
a) French subsidiaries (all)	FR	113 110	121,681	(23,417)		34,791	34,432	-	-
b) Foreign subsidiaries (all)	INT	12,097	14,003	12,292		7,204	5,257	-	-
2. Equity investments									
a) In French companies (all)	FR	839	942	111		1,044	215	1,722	-
b) In foreign companies (all)	INT	133	22	(168)		70	70	-	-
(1) FR: France / INT: International									
(2) Amounts for non-French companies have been converted into euros at the exchange rate effective on December 31, 2020, with the exception of net income (loss), which was converted at the average exchange rate for the 2020 reporting period.									

NOTE 25 Subsequent events

The Company has identified the following subsequent events which do not require adjustments to the parent company financial statements:

- Initiation of a new conciliation procedure as described in Note 1. B relating to the Group's ability to continue as a going concern and Note 2 "Significant events of the period";
- Signature of contracts for the sale of several business activities as mentioned in Note 3 "Significant events of the period";
- Transfer of the Group's registered office to 64, rue Anatole France - 92300 Levallois Perret, France, as of March 15, 2021;
- Signature of the "EPC" trust agreement with CNIM Groupe as Settlor and Beneficiary, Equitis Gestion as Trustee, Crédit Lyonnais as Protector, the Secured Creditors as Beneficiaries and CNIM Environnement & Energie EPC as the Company.

7 2020 GENERAL MEETING

7.1 Report of the Board of Directors on the resolutions proposed to the Ordinary and Extraordinary General Meeting of June 25, 2021

Ladies and Gentlemen,

We have brought you together in Ordinary and Extraordinary General Meeting (the "General Meeting") on June 25, 2021, in accordance with the applicable law and the Company's bylaws, to deliberate on the company and consolidated financial statements for the year ended December 31, 2020 and on the following agenda items:

For consideration as an Ordinary Meeting

- The total remuneration and benefits of all kinds paid to the Chairman, Vice-Chairman and Members of the Supervisory Board and its Committees during the period from January 1 to July 31, 2020, or awarded in respect of the same period.
- The total remuneration and benefits of all kinds paid to the Chairman of the Management Board during the period from January 1 to July 31, 2020, or awarded in respect of the same period.
- The total remuneration and benefits of all kinds paid to the Chairman, Vice-Chairman and Members of the Board of Directors and its Committees during the period from July 31 to December 31, 2020, or awarded in respect of the same period.
- The amendment of the remuneration policy applicable to the Chief Executive Officer for the 2020 financial year.
- The total remuneration and benefits of all kinds paid to the Chief Executive Officer during the period from May 26 to December 31, 2020, or awarded in respect of the same period.
- The remuneration policy applicable to the Chairman, Vice-Chairman and Members of the Board of Directors as well as the Chief Executive Officer for the financial year 2021.
- The appointment of Soluni SA as a director of the Company.
- The authorization for the Board of Directors to trade in the Company's shares

For consideration as an Extraordinary Meeting

- The ratification of the transfer of the Company's registered office.
- The recognition of the decrease in the equity to a level less than one-half of the share capital and decision on the continuation of the Company's operations in accordance with Article L. 225-248 of the French Commercial Code (Code de commerce).
- The authorization to be given to the Board of Directors to reduce the share capital by cancelling treasury shares.
- The delegation of authority to be given to the Board of Directors to issue bonds redeemable in shares in a nominal amount of thirty-five million euros to named beneficiaries with cancellation of your preferential subscription rights.
- The delegation of authority to be given to the Board of Directors to issue bonds redeemable in shares in a nominal amount of one hundred and twenty-eight million euros to named beneficiaries with cancellation of your preferential subscription rights.
- The authorization to be given to the Board of Directors to make free allocations of existing shares or shares to be issued to the Group's employees or certain of them, entailing the automatic waiver of your preferential subscription rights.
- The authorization to be given to the Board of Directors to make free allocations of existing shares or shares to be issued to the Group's employees and Corporate Officers or certain of them, entailing the automatic waiver of your preferential subscription rights.
- The authorization to be given to the Board of Directors to grant share subscription or share purchase options to the Group's employees and Corporate Officers or certain of them, entailing the automatic waiver of your preferential subscription rights.

The formalities for calling the meeting have been duly performed and all the documents prescribed by law have been made available to you in the manner and within the time frames that are applicable.

The resolutions on which you are asked to vote are as follows:

WITHIN THE REMIT OF THE ORDINARY GENERAL MEETING

1. Approval of the 2020 company and consolidated financial statements, appropriation of the profit/(loss) and regulated agreements (first to fourth resolutions)

In light of the reports of the Statutory Auditors and the report of the Board of Directors, you are asked to approve the 2020 parent company financial statements and the 2020 consolidated financial statements, which show a loss of €105,337,046.20 and €132,485,800 respectively.

In view of these results for the 2020 financial year, you are asked to appropriate the entire loss for the financial year of €105,337,046.20 to the "Retained Earnings" account, which would then have a negative balance of €254,487,426.26.

In view of the decrease in equity to a level less than one-half of the share capital, you will be asked, in the twenty-second resolution, to decide to continue the Company's operations.

You are also asked to approve the conclusions of the special report of the Statutory Auditors' set out in section 7.5 of the Company's 2020 Universal Registration Document with respect to the regulated agreements and commitments referred to in Article L. 225-86 et seq. of the French Commercial Code (Code de commerce) relating to any agreement or commitment between those companies with common managers or between the Company and a shareholder holding more than 10% of the voting rights.

2. Approval of the information referred to in Article L. 22-10-9 I of the French Commercial Code and presented in the Report on corporate governance, and of the total remuneration and benefits of all kinds paid to the Chairman, Vice-Chairman, Members of the Supervisory Board and its Committees and the Chairman of the Management Board during the period from January 1 to July 31, 2020 (fifth to ninth resolutions)

As a preliminary matter, having taken note of the Report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code, you are asked to approve the information referred to in Article L. 22-10-9 I of the French Commercial Code, as presented in sections 5.1.5 et seq. of the Report on corporate governance included in the 2020 Universal Registration Document (fifth resolution).

Then, having taken note of the Report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code and in view of the change in the Company's governance structure approved by the General Meeting of Shareholders of July 31, 2020, you are asked to approve the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid to the Chairman (sixth resolution), the Vice-Chairman (seventh resolution), the Members of the Supervisory Board and its Committees (eighth resolution) and the Chairman of the Management Board (ninth resolution) during the period from January 1 to July 31, 2020 or granted in respect of that same period to these persons, as presented in section 5.1.5 of the Report on corporate governance included in the 2020 Universal Registration Document (governance of the Company by means of a Supervisory Board and a Management Board). Please refer to it for further information.

3. Approval of the total remuneration and benefits of all kinds paid to the Chairman, Vice-Chairman and Members of the Board of Directors and its Committees during the period from July 31 to December 31, 2020 (tenth, eleventh and fourteenth resolutions)

After having taken note of the Report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code and in view of the change in the Company's governance structure approved by the General Meeting of Shareholders of July 31, 2020, you are asked to approve the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid to the Chairman (tenth resolution), the Vice-Chairman (eleventh resolution) and the Members of the Board of Directors and its Committees (fourteenth resolution), during the period from July 31 to December 31, 2020 or granted in respect of that same period, to these persons, as presented in section 5.1.5 of the Report on corporate governance included in the 2020 Universal Registration Document (governance of the Company by means of a Board of Directors). Please refer to it for further information.

4. Approval of the amendment of the remuneration policy applicable to the Chief Executive Officer for the 2020 financial year and of the total remuneration and benefits of all kinds paid to the Chief Executive Officer during the period from May 26 to December 31, 2020, or granted in respect of the same period (twelfth and thirteenth resolutions)

After having taken note of section 5.1.5 of the Report on corporate governance included in the 2020 Universal Registration Document, you are asked, on the basis of the favorable opinion of the Board of Directors and its Remuneration Committee, to approve the amendment of the remuneration policy applicable to the Company’s Chief Executive Officer for the 2020 financial year relating to the granting of exceptional remuneration to Mr. Louis Roch-Burgard, to reflect his personal and exceptional contribution to the execution of the Group's financial restructuring agreement entered into on April 29, 2020 (twelfth resolution). As a result, you are hereby asked to approve the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid to the Chief Executive Officer during the period from May 26 to December 31, 2020 or granted in respect of that same period, as presented in section 5.1.5 of the Report on corporate governance included in the 2020 Universal Registration Document (thirteenth resolution) Please refer to it for further information.

5. Approval of the remuneration policy applicable to the Chairman, Vice-Chairman and Members of the Board of Directors and the Chief Executive Officer for the 2021 financial year (fifteenth and eighteenth resolutions).

After having taken note of the Report on corporate governance referred to in Article L. 225-37 of the French Commercial Code, you are asked to approve the remuneration policy applicable to the Chairman (fifteenth resolution), the Vice-Chairman (sixteenth resolution), the Members of the Board of Directors (eighteenth resolution) and the Chief Executive Officer (seventeenth resolution) for the 2021 financial year.

Information on these remuneration policies is provided in section 5.1.6.1 of the Company's 2020 Universal Registration Document. Please refer to it for further information.

6. Appointment of Soluni SA as a director of the Company.

We submit for your vote the proposed appointment as a member of the Board of Directors of Soluni, a French limited company (société anonyme) with share capital of €5,599,680, whose registered office is located at 35 rue de Bassano, 75008 Paris and which is registered in the Paris Trade and Companies Register under number 400 544 292, for a period of four (4) years ending at the close of the General Meeting called to approve the financial statements for the year ending December 31, 2024.

Soluni, the Company's largest shareholder, owns 1,708,633 shares representing 56.43% of the Company’s share capital.

Ms. Sophie Dmitrieff, who was born on June 21, 1964 in Neuilly-sur-Seine and whose address is 29 rue de Tolbiac, 75013 Paris, would be its permanent representative. After completing a Masters in geography and then graduating from ESSEC Business School, Ms. Sophie Dmitrieff performed a number of roles (internal auditing, project financing and management control) within various CNIM Group companies between 1992 and 2001. In 2003, she set up the Peruvian NGO Econtinuidad Peru, which she stills manages today.

Soluni indicated in advance that it accepted this appointment and that it was not affected by any measure that could prevent it from holding the position.

7. Authorization for the Board of Directors to trade in the Company’s shares (twentieth resolution)

The authorization to purchase shares in the Company, given to the Management Board by the General Meeting of June 26, 2019, was for a period of eighteen months. It expired at the end of the 2020 financial year.

We therefore ask that, to enable the Board of Directors to purchase the Company's shares in this way at any time, you give the Board of Directors a new authorization, with the option to delegate under the conditions provided for by law, in accordance with the provisions of Article L. 22-10-62 of the French Commercial Code, to arrange for the Company to repurchase its own shares up to a limit of 10% of the shares comprising the share capital on the date of the repurchase of the Company's shares, it being stipulated that this new authorization would render null and void the unused portion of any other authorization with the same purpose.

We ask that you limit this authorization to 302,811 shares.

The Board of Directors would use this authorization in compliance with the legal and regulatory conditions applicable at the time of exercise, and in particular with the conditions and obligations imposed by Articles L. 22-10-62 to L. 22-10-65 of the French Commercial Code, by Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014, by Article L.451-3 of the French Monetary and Financial Code (Code monétaire et financier) and by the provisions of Articles 241-1 to 241-7 of the General Regulation of the French Financial Markets Authority (Autorité des marchés financiers - AMF).

This authorization may be used for the purpose of:

- ensuring liquidity and stimulating the market in the shares via an investment services provider acting completely independently, within the framework of a liquidity agreement which conforms to the principles regarding liquidity agreements detailed in the code of ethics established by the French Financial Markets Association (AMAFI) dated March 8, 2011, as appended to the AMF decision of March 21, 2011 amending the AMF decision of October 1, 2008;
- delivering the Company's shares upon the exercise of rights attaching to transferable securities giving access to the Company's capital;
- allocating shares to employees or Corporate Officers of the Company or companies in its Group under the terms and in the manner provided by law, in particular in the context of profit sharing or stock option programs, by allocating free shares under the terms of Articles L. 225-197-1 et seq. of the French Commercial Code or under the conditions prescribed by Articles L. 3332-1 et seq. of the French Labor Code;
- retaining shares for subsequent reissue in payment or exchange in the context of mergers or acquisitions, up to a limit of 5% of the share capital as provided in paragraph 6 of Article L. 225-10-61 of the French Commercial Code;
- cancelling some or all of the shares thus repurchased, subject to authorization being granted by the Extraordinary General Meeting;
- undertaking any market practice permitted by the AMF, and more generally carrying out any other transactions which comply with the regulations in force.

The purchase, sale or transfer of these shares could be effected, provided that the regulations in force are respected, by any means, on one or more occasions, in the market or outside the market (in particular over the counter and including by means of derivative financial instruments) and at any time, in particular during a takeover bid; the portion of the program that may be conducted via block trades should not be limited and could represent the entirety of the program.

The maximum purchase price per share would be set at €200, it being stipulated that this amount could be adjusted by the Board of Directors in the case of transactions affecting the Company's share capital, in particular where capital is increased through the capitalization of reserves by issuing free additional shares, by increasing the nominal value of the shares, by stock split or by reverse stock split.

In accordance with the law, the total number of shares held by the Company may not exceed 10% of the share capital and the maximum amount of funds allocated for the implementation of this share purchase program may not exceed €60,562,200.

We ask that you grant this authorization for a term of eighteen months as from the date of this General Meeting.

We ask lastly that you grant the Board of Directors all powers to implement this authorization, in particular the power to choose the timing for commencing a repurchase program and to determine its nature, and also to allocate or reallocate the shares acquired to the various purposes pursued subject to the applicable legal and regulatory conditions, it being specified that the Board of Directors may, under the conditions provided for by law, delegate to the Chief Executive Officer, or with his agreement to one or more of its other members, the powers necessary to carry out the program, and in particular the power to place any stock market orders, conclude any agreements regarding in particular the keeping of records of share repurchases and sales, carry out all formalities, measures and declarations vis-à-vis the AMF and any other body, allocate and where applicable reallocate the shares acquired to the various purposes pursued, under the conditions provided for by law and, in general, do whatever may be necessary;

The Board of Directors would inform the Annual General Meeting of transactions executed, in accordance with applicable regulations.

II. WITHIN THE REMIT OF THE EXTRAORDINARY GENERAL MEETING

1. Ratification of the transfer of the registered office (twenty-first resolution)

After having taken note of the report of the Board of Directors, we ask that you ratify the transfer of the Company's registered office to 64 rue Anatole France, 92300 Levallois Perret on March 15, 2021, and consequently the corresponding amendments to the bylaws.

2. Recognition of the decrease in the equity to a level less than one-half of the share capital and decision on the continuation of the Company's operations in accordance with Article L. 225-248 of the French Commercial Code (twenty-second resolution)

In accordance with the applicable legal provisions, we ask you to vote on whether or not the Company should be dissolved early.

Indeed, under the terms of Article L. 225-248 of the French Commercial Code (Code de commerce), if, due to the losses recognized in the accounting records, the Company’s equity falls to below one-half of the share capital, the Board of Directors must, within the four months following the approval of the financial statements in which such losses were disclosed, convene an Extraordinary General Meeting of Shareholders for the purpose of deciding whether there is cause for the early dissolution of the Company.

The Ordinary and Extraordinary General Meeting of Shareholders of July 31, 2020 had decided not to dissolve the Company early.

However, the appropriation of the loss for the year ended December 31, 2020 would result in the Company's equity remaining below one-half of the share capital.

In view of the Conciliation Protocol entered into on May 21, 2021, we ask that you do not dissolve the Company.

The Company must, no later than the end of the second financial year following that during which the losses were recognized (i.e. December 31, 2021), either reduce its share capital by an amount at least equal to that of the losses that could not be offset against reserves, without such reduction resulting in share capital of less than the minimum legal capital, or restore its equity to at least one-half of its share capital.

3. Authorization to be given to the Board of Directors to reduce the share capital by cancelling treasury shares (twenty-third resolution)

Since the authorization for the Management Board to cancel treasury shares was granted by the General Meeting of June 26, 2019 for a period of eighteen months, it will expire at the end of the 2020 financial year.

We therefore ask, in order for the Board of Directors to be able to cancel these shares at any time, that you grant the Board of Directors, in accordance with the provisions of Article L. 22-10-62 of the French Commercial Code, a new authorization to cancel, at its sole discretion, on one or more occasions, some or all of the shares that the Company holds or may hold in treasury as a result of the various authorizations to purchase shares granted to the Board of Directors by the General Meeting, it being specified that this new authorization would render null and void the unused portion of any other authorization with the same purpose.

This authorization would be limited to 10% of the share capital per twenty-four month period.

We ask that you delegate to the Board of Directors, with power to sub-delegate in accordance with the law, all powers necessary to carry out the reduction(s) in share capital arising from cancellations thus authorized, to cause the necessary accounting entries to be made, to allocate the difference between the purchase price and the nominal value of the cancelled shares to any balance sheet items for issue premiums or available reserves, to make corresponding amendments to the bylaws and, generally, to complete all necessary formalities.

We ask that you grant this authorization for a term of eighteen months.

In this context, your Statutory Auditors would prepare a report in accordance with the provisions of Article L. 22-10-62 of the French Commercial Code.

4. Delegation of authority to be given to the Board of Directors to issue bonds redeemable in shares in a nominal amount of thirty-five million euros to named beneficiaries with cancellation of shareholders' preferential subscription rights (twenty-fourth resolution)

In accordance with the undertakings given by the Company under Article 8 of the 2021 Conciliation Protocol and its appendices entered into on May 21, 2021, with a view to ensuring the long-term survival of the CNIM Group within the meaning of Article L. 611-7 of the French Commercial Code, an issue will be carried out of bonds redeemable in shares in a total nominal amount of thirty-five million euros (€35,000,000), ("the issue A bonds (ORA)").

In this context, you are asked to entrust the Board of Directors with the implementation of this issue.

Thus, after having taken note of the:

- report of the Board of Directors,
- report of the Statutory Auditors,
- report prepared by Finexsi as an independent expert pursuant to Article 261-3 of the AMF General Regulation,
- prospectus relating to the admission to trading on the regulated Euronext Paris market of new ordinary shares which may be issued in connection with the redemption of the bonds redeemable in shares which are the subject of this resolution, subject to AMF approval (the "Prospectus");

After having noted that the capital is fully paid up, in accordance with the provisions of Articles L. 225-129 et seq. of the French Commercial Code, Articles L. 225-135 and L. 225-138 et seq. of the French Commercial Code and Articles L. 228-91 et seq. of the French Commercial Code;

And subject to the condition precedent of the adoption of the twenty-fifth resolution submitted to the General Meeting, it being specified that the twenty-fourth and twenty-fifth resolutions form an indivisible whole and are interdependent;

We ask that you delegate to the Board of Directors, with the right to delegate and sub-delegate in accordance with the law, the authority to decide, in the proportions and at the times it deems appropriate, on the issuance, without shareholders' preferential subscription rights, on one or more occasions, in France or abroad, of 35,000,000 bonds redeemable in ordinary shares of the Company (the "issue B bonds (ORA)"), with a nominal value of one euro (€1.00), which may be paid up in cash, including by way of set-off against certain, liquid and due receivables, for a total nominal amount of €35,000,000 and consequently:

- to cancel the preferential subscription rights reserved for the shareholders by Article L. 225-132 of the French Commercial Code and reserve subscription for the issue A bonds (ORA) whose issuance is authorized under the terms of this resolution for:
  - Banque Palatine, a French limited company (société anonyme) whose registered office is at 42 rue d'Anjou, 75008 Paris and which is registered in the Paris Trade and Companies Register under number 542 104 245,
  - BNP Paribas, a French limited company (société anonyme) whose registered office is at 16 boulevard des Italiens, 75009 Paris and which is registered in the Paris Trade and Companies Register under number 662 042 449,
  - BRED Banque Populaire, a French cooperative bank (société coopérative de banque populaire à forme anonyme) whose registered office is at 18 quai de la Rapée, 75012 Paris and which is registered in the Paris Trade and Companies Register under number 552 091 795,
  - Commerzbank Aktiengesellschaft, Luxembourg Branch, the Luxembourg branch of Commerzbank Aktiengesellschaft, a limited company whose registered office is at Kaiserstrasse 16, 60311 Frankfurt am Main, Germany and which is registered in the Frankfurt am Main Trade and Companies Register under number HRB 32000, said branch being located at 25 rue Edward Steichen, L-2540, Luxembourg and registered in the Luxembourg Trade and Companies Register under number B119317,
  - Crédit du Nord, a French limited company (société anonyme) whose registered office is at 28 place Rihour, 59000 Lille and whose headquarters are at 59 boulevard Haussmann, 75008 Paris and which is registered in the Lille Métropole Trade and Companies Register under number 456 504 851,
  - Crédit Lyonnais, a French limited company (société anonyme) whose registered office is at 18 rue de la République, 69002 Lyon and whose headquarters are at 20 avenue de Paris, 94811 Villejuif Cedex and which is registered in the Lyon Trade and Companies Register under number 954 509 741,
  - HSBC Continental Europe, a French limited company (société anonyme) whose registered office is at 38 avenue Kléber, 75116 Paris and which is registered in the Paris Trade and Companies Register under number 775 670 284,

- Natixis, a French limited company (société anonyme) whose registered office is at 30 avenue Pierre Mendès France, 75013 Paris and which is registered in the Paris Trade and Companies Register under number 542 044 524,
- Société Générale, a French limited company (société anonyme) whose registered office is at 29 boulevard Haussmann, 75009 Paris and which is registered in the Paris Trade and Companies Register under number 552 120 222,
- Caisse d'Epargne CEPAC, a French limited company (société anonyme) whose registered office is at BP 108 place Estrangin Pastré, 13254 Marseille Cedex 06 and which is registered in the Marseille Trade and Companies Register under number 775 559 404,

(being hereinafter referred to, collectively, as the "A Beneficiaries")

- to decide that the unit issue price of the issue A bonds (ORA) to be issued pursuant to this delegation will be one euro (€1.00) per issue A bond (ORA),
- to decide that the issue A bonds (ORA) to be issued pursuant to this delegation will be in registered form only and will not be admitted to trading on the Euronext Paris regulated market or on any other regulated market,
- to decide that the issue A bonds (ORA) will have a maturity of six (6) years and six (6) months from the date of their issuance and that they will bear interest from the date of their issuance until their redemption at a rate equal to Euribor (floor at 0) plus a margin paid annually in cash equal to 1 (one) per cent plus a non-conversion premium of 4 (four) per cent per annum of the aggregate nominal values of the issue A bonds (ORA), with full capitalization of the amounts accrued annually, which will be due and paid only in the event of redemption in cash, by the Company;
- to decide that the issue A bonds (ORA) may be redeemed in cash or in new ordinary shares of the Company in accordance with the terms and conditions to be defined and determined by the Board of Directors, and to decide that in the event of redemption in new shares of the Company, one (1) issue A bond (ORA) will give the right to 0.065 of a new ordinary share of the Company to be issued (subject to adjustment) which will be immediately assimilated into the Company's existing shares, in accordance with the terms and conditions to be defined and determined by the Board of Directors,
- to decide that the maximum total number of new ordinary shares of the Company that may be issued in connection with the redemption of the principal amount of the issue A bonds (ORA) will be 2,275,000 new ordinary shares, to which may be added, where applicable, the additional number of shares to be issued in order to preserve, in accordance with legal and regulatory provisions and, where applicable, contractual stipulations providing for other cases of adjustment, the rights of the holders of securities and other rights giving access to the Company's shares,
- to specify, to the extent necessary, that pursuant to Articles L. 225-132 and L. 228-91 of the French Commercial Code, this decision will automatically entail, in favor of the holders of issue A bonds (ORA), the waiver by shareholders of their preferential subscription rights in respect of the shares to be issued following the redemption of the issue A bonds (ORA), in favor of the A Beneficiaries,
- to decide that the Board of Directors will have all powers, with the option of sub-delegation under the conditions provided for by law, to implement, under the conditions laid down by law and the bylaws, this delegation in order to, although this list should not be regarded as restrictive:
  - record the fulfilment of the above-mentioned condition precedent,
  - decide on the issuance of issue A bonds (ORA),
  - determine, within the limits hereof, the terms and conditions of issuance and the characteristics and terms of the issue A bonds (ORA) (including the terms and conditions of adjustment of the issue A bonds (ORA) in the event of transactions in the Company's share capital), and in particular the dates, the terms and conditions, the final number of issue A bonds (ORA) to be issued and allocated to each of the A Beneficiaries and the terms and conditions of issuance of the issue A bonds (ORA) pursuant to this delegation,
  - collect the subscription forms and the related payments,
  - make any adjustments intended to take into account the impact of transactions in the Company's share capital and set the terms and conditions according to which the rights of holders of securities that give or may give access to the Company's share capital will be preserved, where applicable,
  - make any required adjustments, in accordance with the legal and regulatory provisions and, where applicable, the contractual provisions of the issue A bonds (ORA) providing for other cases of adjustment,
  - record the number of shares that may be issued upon redemption of the issue A bonds (ORA),
  - carry out the formalities required by the corresponding capital increases and make the corresponding amendments to the bylaws,

- at its sole initiative, charge the costs of the capital increases against the amount of the premiums relating thereto and deduct from this amount the sums necessary to fund the legal reserve,
- record, upon redemption of the issue A bonds (ORA) in shares, the completion of the capital increase and make the corresponding amendments to the bylaws as well as to the related publication and filing formalities,
- generally, enter into any agreements, in particular to successfully complete the contemplated bond issue, take all measures and carry out all formalities required for the issuance and financial servicing of the issue A bonds (ORA) (and of the shares issued in redemption of the issue A bonds (ORA)) by virtue of this delegation, as well as for the exercise of the rights attached thereto, and
- take any decision with a view to the admission to trading of the new shares issued in redemption of the issue A bonds (ORA) on any market on which the Company's shares are admitted to trading,
- set at eighteen (18) months from the date of the General Meeting the period of validity of this delegation thus granted to the Board of Directors,
- take note of the fact that, in the event that the Board uses the delegation of authority granted to it in this resolution, the Board shall report to the next Ordinary General Meeting, in accordance with the law and regulations, on the use made of the authorizations granted under this resolution.

5. Delegation of authority to be given to the Board of Directors to issue bonds redeemable in shares in a nominal amount of one hundred and twenty-eight million euros to named beneficiaries with cancellation of shareholders' preferential subscription rights (twenty-fifth resolution)

In accordance with the undertakings given by the Company under Article 8 of the 2021 Conciliation Protocol and its appendices entered into on May 21, 2021, the aim of which was to ensure the long-term survival of the CNIM Group within the meaning of Article L. 611-7 of the French Commercial Code, an issue will be carried out of bonds redeemable in shares in a total nominal amount of one hundred and twenty-eight million euros (€128,000,000), ("the issue B bonds (ORA)").

In this context, you are asked to entrust the Board of Directors with the implementation of this issue.

Thus, after having taken note of the:

- report of the Board of Directors,
- report of the Statutory Auditors,
- report prepared by Finexsi as an independent expert pursuant to Article 261-3 of the AMF General Regulation,
- prospectus relating to the admission to trading on the regulated Euronext Paris market of new ordinary shares which may be issued in connection with the redemption of the bonds redeemable in shares which are the subject of the twenty-fifth resolution, subject to AMF approval (the "Prospectus");

Having noted that the share capital is fully paid up, in accordance with the provisions of Articles L. 225-129 et seq. of the French Commercial Code, Articles L. 225-135 and L. 225-138 et seq. of the French Commercial Code and Articles L. 228-91 et seq. of the French Commercial Code;

And subject to the condition precedent of the adoption of the twenty-fourth resolution submitted to the General Meeting, it being specified that the twenty-fourth and twenty-fifth resolutions form an indivisible whole and are interdependent;

We ask that you delegate to the Board of Directors, with the right to delegate and sub-delegate in accordance with the law, the authority to decide, in the proportions and at the times it deems appropriate, on the issuance, without shareholders' preferential subscription rights, on one or more occasions, in France or abroad, of 128,000,000 bonds redeemable in ordinary shares of the Company (the "issue B bonds (ORA)"), with a nominal value of one euro (€1.00), which may be paid up in cash, including by way of set-off against certain, liquid and due receivables, for a total nominal amount of €128,000,000 and consequently:

- to cancel the preferential subscription rights reserved for the shareholders by Article L. 225-132 of the French Commercial Code and to reserve subscription for the issue B bonds (ORA) whose issuance is authorized under the terms of this resolution for:
  - Banque Palatine, a French limited company (société anonyme) whose registered office is at 42 rue d'Anjou, 75008 Paris and which is registered in the Paris Trade and Companies Register under number 542 104 245,
  - BNP Paribas, a French limited company (société anonyme) whose registered office is at 16 boulevard des Italiens, 75009 Paris and which is registered in the Paris Trade and Companies Register under number 662 042 449,

- BRED Banque Populaire, a French cooperative bank (société coopérative de banque populaire à forme anonyme) whose registered office is at 18 quai de la Rapée, 75012 Paris and which is registered in the Paris Trade and Companies Register under number 552 091 795,
- Commerzbank Aktiengesellschaft, Luxembourg Branch, the Luxembourg branch of Commerzbank Aktiengesellschaft, a limited company whose registered office is at Kaiserstrasse 16, 60311 Frankfurt am Main, Germany and which is registered in the Frankfurt am Main Trade and Companies Register under number HRB 32000, said branch being located at 25 rue Edward Steichen, L-2540, Luxembourg and registered in the Luxembourg Trade and Companies Register under number B119317,
- Crédit du Nord, a French limited company (société anonyme) whose registered office is at 28 place Rihour, 59000 Lille and whose headquarters are at 59 boulevard Haussmann, 75008 Paris and which is registered in the Lille Métropole Trade and Companies Register under number 456 504 851,
- Crédit Lyonnais, a French limited company (société anonyme) whose registered office is at 18 rue de la République, 69002 Lyon and whose headquarters are at 20 avenue de Paris, 94811 Villejuif Cedex and which is registered in the Lyon Trade and Companies Register under number 954 509 741,
- HSBC Continental Europe, a French limited company (société anonyme) whose registered office is at 38 avenue Kléber, 75116 Paris and which is registered in the Paris Trade and Companies Register under number 775 670 284,
- Natixis, a French limited company (société anonyme) whose registered office is at 30 avenue Pierre Mendès France, 75013 Paris and which is registered in the Paris Trade and Companies Register under number 542 044 524,
- Société Générale, a French limited company (société anonyme) whose registered office is at 29 boulevard Haussmann, 75009 Paris and which is registered in the Paris Trade and Companies Register under number 552 120 222,
- Caisse d'Epargne CEPAC, a French limited company (société anonyme) whose registered office is at BP 108 place Estrangin Pastré, 13254 Marseille Cedex 06 and which is registered in the Marseille Trade and Companies Register under number 775 559 404,
- Martin GmbH für Umwelt- und Energietechnik, a German limited company (Gesellschaft mit beschränkter Haftung) whose registered office is at Leopoldstraße 246, 80807 Munich, in Germany and which is registered with the Munich district court (Amtsgericht München) under number 69889,

(being hereinafter referred to, collectively, as the "B Beneficiaries")

- to decide that the unit issue price of the issue B bonds (ORA) to be issued pursuant to this delegation will be one euro (€1.00) per issue B bond (ORA),
- to decide that the issue B bonds (ORA) to be issued pursuant to this delegation will be in registered form only and will not be admitted to trading on the Euronext Paris regulated market or on any other regulated market,
- to decide that the issue B bonds (ORA) will have a maturity of six (6) years and six (6) months from the date of their issuance and that they will bear interest from the date of their issuance until their redemption at a rate equal to Euribor (floor at 0) plus a margin paid annually in cash equal to 0.75% plus a non-conversion premium of 4 (four) per cent per annum of the aggregate nominal values of the issue B bonds (ORA), with full capitalization of the amounts accrued annually, which will be due and paid only in the event of redemption in cash, by the Company;
- to decide that the issue B bonds (ORA) may be redeemed in cash or in new ordinary shares of the Company in accordance with the terms and conditions to be defined and determined by the Board of Directors, and to decide that in the event of redemption in new shares of the Company, one (1) issue B bond (ORA) will give the right to 0.065 of a new ordinary share of the Company to be issued (subject to adjustment) which will be immediately assimilated into the Company's existing shares, in accordance with the terms and conditions to be defined and determined by the Board of Directors,
- to decide that the maximum total number of new ordinary shares of the Company that may be issued in connection with the redemption of the principal amount of the issue B bonds (ORA) will be 8,320,000 new ordinary shares, to which may be added, where applicable, the additional number of shares to be issued in order to preserve, in accordance with legal and regulatory provisions and, where applicable, contractual stipulations providing for other cases of adjustment, the rights of the holders of securities and other rights giving access to the Company's shares,
- to specify, to the extent necessary, that pursuant to Articles L. 225-132 and L. 228-91 of the French Commercial Code, this decision will automatically entail, in favor of the holders of issue B bonds (ORA), the waiver by shareholders of their preferential subscription rights in respect of the shares to be issued following the redemption of the issue B bonds (ORA), in favour of the B Beneficiaries,

- to decide that the Board of Directors will have all powers, with the option of sub-delegation under the conditions provided for by law, to implement, under the conditions laid down by law and the bylaws, this delegation in order to, although this list should not be regarded as restrictive:
- record the fulfilment of the above-mentioned condition precedent,
- decide on the issuance of issue B bonds (ORA),
- determine, within the limits hereof, the terms and conditions of issuance and the characteristics and terms of the issue B bonds (ORA) (including the terms and conditions of adjustment of the issue B bonds (ORA) in the event of transactions in the Company's share capital), and in particular the dates, the terms and conditions, the final number of issue B bonds (ORA) to be issued and allocated to each of the B Beneficiaries and the terms and conditions of issuance of the issue B bonds (ORA) pursuant to this delegation,
- collect the subscription forms and the related payments,
- make any adjustments intended to take into account the impact of transactions in the Company's share capital and set the terms and conditions according to which the rights of holders of securities that give or may give access to the Company's share capital will be preserved, where applicable,
- make any required adjustments, in accordance with the legal and regulatory provisions and, where applicable, the contractual provisions of the issue B bonds (ORA) providing for other cases of adjustment,
- record the number of shares that may be issued upon redemption of the issue B bonds (ORA),
- carry out the formalities required by the corresponding capital increases and make the corresponding amendments to the bylaws,
- at its sole initiative, offset the costs of the capital increases against the amount of the premiums relating thereto and deduct from this amount the sums necessary to fund the legal reserve,
- record, upon redemption of the issue B bonds (ORA) in shares, the completion of the capital increase and make the corresponding amendments to the bylaws as well as to the related publication and filing formalities,
- generally, enter into any agreement, in particular to successfully complete the contemplated bond issue, take all measures and carry out all formalities required for the issuance and financial servicing of the issue B bonds (ORA) (and of the shares issued in redemption of the issue B bonds (ORA)) by virtue of this delegation, as well as for the exercise of the rights attached thereto, and
- take any decision with a view to the admission to trading of the new shares issued in redemption of the issue B bonds (ORA) on any market on which the Company's shares are admitted to trading,
- to set at eighteen (18) months from the date of the General Meeting the period of validity of this delegation thus granted to the Board of Directors,
- to take note of the fact that, in the event that the Board uses the delegation of authority granted to it in this twenty-fifth resolution, the Board shall report to the next Ordinary General Meeting, in accordance with the law and regulations, on the use made of the authorizations granted under this twenty-fifth resolution.

6. Authorization to be given to the Board of Directors to make free allocations of existing shares or shares to be issued to the Group's employees or certain of them, entailing the automatic waiver by shareholders of their preferential subscription rights (twenty-sixth resolution)

In accordance with the undertakings given by the Company under Article 13 of the 2021 Conciliation Protocol and its appendices entered into on May 21, 2021, with a view to ensuring the long-term survival of the CNIM Group within the meaning of Article L. 611-7 of the French Commercial Code, an investment protocol will be entered into, which sets out the terms and conditions of the Managers' participation in the creation of value and of the repayment of the CNIM Group's liabilities, in particular the repayment in cash of the bonds (ORA) or the implementation of any other liquidity solution with similar effects ("Management Incentive Plan").

In this context, you are asked to entrust the Board of Directors with the implementation of this issue.

After having taken note of the report of the Board of Directors and the special report of the Statutory Auditors, we ask that you authorize the Board of Directors, within the framework of the provisions of Articles L. 225-197-1 et seq. and L. 22-10-59 of the French Commercial Code, with the option of delegating this power to the extent authorized by law, to carry out, on one or more occasions, at the times it seems appropriate, the free allocation of existing shares or shares to be issued, to the beneficiaries or categories of beneficiaries that it shall determine from among the employees of the Company or of the companies or groupings that are linked to it under the conditions provided for in Article L. 225-197-2 of said Code, in accordance with the conditions set out below.

We draw your attention to the fact that this authorization differs from the one described in point 7 of this report (the subject of the twenty-seventh resolution) in that it only concerns the Group's employees and not its Corporate Officers, with the exception of those who also have an employment contract.

We ask that you decide that the total number of existing shares or shares to be issued and allocated by virtue of this authorization may not represent more than 6.22% of the share capital on the date of the Board of Directors' decision to allocate free shares. To this cap shall be added, where applicable, the shares to be issued in respect of the adjustments to be made to preserve the rights of the beneficiaries of free share allocations. It is specified that this cap is set autonomously, separately and independently of the caps set in the other resolutions submitted to the Ordinary and Extraordinary General Meeting of June 25, 2021, with the exception of the twenty-seventh resolution, subject to its adoption, and for which the aggregate number of free shares allocated under this resolution and the twenty-seventh resolution may not exceed 10% of the Company's share capital as of the date of the Board of Directors' decision to allocate free shares, subject to applicable legal provisions.

You are asked to decide that the allocation of said shares to their beneficiaries will become definitive at the end of a vesting period whose duration will be set by the Board of Directors, which may not be less than one year, it being understood that the allocation of said shares to their beneficiaries will become definitive before the expiry of the aforementioned vesting period in the event of the beneficiary's disability corresponding to his/her classification in the second or third category provided for in Article L. 341-4 of the French Social Security Code (Code de la sécurité sociale), and that said shares will be freely transferable in the event of the beneficiary's disability corresponding to his/her classification in the aforementioned categories of the French Social Security Code.

We ask that you authorize the Board of Directors to provide or not to provide for a retention obligation at the end of the vesting period, depending on the length of the vesting period selected, in accordance with the provisions of Article L. 225-197-1 of the French Commercial Code.

You are also asked to grant all powers to the Board of Directors, with the option of delegation within the legal limits, to implement this authorization and, in particular, to:

- determine whether the free shares allocated are shares to be issued and/or existing shares and, where applicable, to amend its choice before the final allocation of the shares;
- determine the identity of the beneficiaries, or the category or categories of beneficiaries, of the share allocations made to the employees of the Company or of the aforementioned companies or groupings and the number of shares allocated to each of them;
- set the conditions, including performance conditions for the beneficiaries concerned and, where applicable, the criteria for allocating shares, in particular the minimum vesting period and, where applicable, the required retention period for each beneficiary, as provided for above;
- provide for the possibility of temporarily suspending allocation rights;
- record the final allocation dates and, where applicable, the dates from which the shares may be freely transferred, taking into account legal restrictions;
- set the date on which the shares issued will become entitled to dividend and other rights;
- register the free shares allocated in a registered account in their holder’s name, mentioning, where applicable, the retention period and the duration thereof, and the manner in which this restriction on the shares can be released; and
- in the event of the issue of new shares, to deduct, where applicable, from the reserves, profits or issue premiums, the sums required to pay up said shares, to record the completion of the capital increases carried out pursuant to this authorization, to make the corresponding amendments to the bylaws and, in general, to carry out all necessary acts and formalities.

You are asked to decide that the Company may, during the vesting period, where applicable, make the adjustments to the number of free shares allocated needed to preserve the rights of the beneficiaries, depending on any transactions involving the Company's capital, in particular in the event of a change in the par value of the share, a capital increase by capitalization of reserves, the allocation of free shares, the issue of new equity securities with preferential subscription rights reserved for shareholders, stock splits or reverse stock splits, the distribution of reserves, share premiums or any other assets, the redemption of capital, a change in the distribution of profits through the creation of preference shares, or any other transaction involving equity or capital (including by way of a takeover bid and/or in the event of a change of control). It is specified that the shares allocated in application of these adjustments will be deemed to have been allocated on the same day as the shares initially allocated.

We ask you to note that, in the event of a free allocation of new shares, this authorization shall entail, as and when said shares are definitively allocated, a capital increase by capitalization of reserves, profits or issue premiums in favor of the beneficiaries of said shares and a corresponding waiver by the shareholders, in favor of the beneficiaries of said shares, of their preferential subscription rights to said shares.

We also ask you to take note of the fact that, should the Board of Directors make use of this authorization, it shall inform the Ordinary General Meeting each year of the transactions carried out by virtue of the provisions of Articles L. 225-197-1 to L. 225-197-3 and L. 22-10-59 of the French Commercial Code, in accordance with the conditions set out in Article L. 225-197-4 of said Code.

Finally, we ask that you set the period of validity of this authorization at twenty-six months from the date of the Ordinary and Extraordinary General Meeting of June 25, 2021 and that you take note that it will render null and void, as from that date, the unused portion of any previous authorization with the same purpose. On this point, you are reminded that no previous authorization with the same purpose and still in force has been granted by the General Meeting to the Board of Directors (without prejudice to what is stated in point 7 of this report).

7. Authorization to be given to the Board of Directors to make free allocations of existing shares or shares to be issued to the Group's employees and Corporate Officers or certain of them, entailing the automatic waiver by shareholders of their preferential subscription rights (twenty-seventh resolution)

In accordance with the undertakings given by the Company under Article 13 of the 2021 Conciliation Protocol and its appendices entered into on May 21, 2021, the aim of which was to ensure the long-term survival of the CNIM Group within the meaning of Article L. 611-7 of the French Commercial Code, and providing for the implementation of a Management Incentive Plan, you are asked to entrust the Board of Directors with the implementation of this operation.

In view of this, after having taken note of the report of the Board of Directors and the special report of the Statutory Auditors, we ask that you authorize the Board of Directors, within the framework of the provisions of Articles L. 225-197-1 et seq., L. 22-10-59 and L. 22-10-60 of the French Commercial Code, with the option of delegating this power to the extent authorized by law, to carry out, on one or more occasions, at the times it seems appropriate, the free allocation of existing shares or shares to be issued, to the beneficiaries or categories of beneficiaries that it shall determine from among the employees of the Company or of the companies or groupings that are linked to it under the conditions provided for in Article L. 225-197-2 of said Code and the Corporate Officers of the Company or of the companies or groupings that are linked to it and that meet the conditions specified in Articles L. 225-197-1 II, L. 22-10-59 III and L. 22-10-60 of said Code, in accordance with the conditions set out below.

We draw your attention to the fact that this authorization differs from that described in point 6 of this report (the subject of the twenty-sixth resolution) in that it may be used both for the Group's employees and for its Corporate Officers.

We ask that you decide that the total number of existing shares or shares to be issued and allocated by virtue of this authorization may not represent more than 3.78% of the share capital on the date of the Board of Directors' decision to allocate free shares. To this cap shall be added, where applicable, the shares to be issued in respect of the adjustments to be made to preserve the rights of the beneficiaries of free share allocations. It is specified that this cap is set autonomously, separately and independently of the caps set in the other resolutions submitted to the Ordinary and Extraordinary General Meeting of June 25, 2021, with the exception of the twenty-sixth resolution, subject to its adoption, and for which the aggregate number of free shares allocated under this resolution and the twenty-sixth resolution may not exceed 10% of the Company's share capital as of the date of the Board of Directors’ decision to allocate free shares, subject to applicable legal provisions.

We also ask that you decide that the total number of existing shares or shares to be issued and allocated by virtue of this authorization to the Company’s executive Corporate Officers may not exceed 1% of the Company’s share capital on the date of the Board of Directors' decision to allocate free shares. To this cap shall be added, where applicable, the shares to be issued in respect of the adjustments to be made to preserve the rights of the beneficiaries of free share allocations.

You will be asked to decide that the allocation of said shares to their beneficiaries will become definitive at the end of a vesting period whose duration will be set by the Board of Directors, which may not be less than one year, it being understood that the allocation of said shares to their beneficiaries will become definitive before the expiry of the aforementioned vesting period in the event of the beneficiary's disability corresponding to his/her classification in the second or third category provided for in Article L. 341-4 of the French Social Security Code (Code de la sécurité sociale), and that said shares will be freely transferable in the event of the beneficiary's disability corresponding to his/her classification in the aforementioned categories of the French Social Security Code.

You will also be asked to authorize the Board of Directors to provide or not to provide for a retention obligation at the end of the vesting period, depending on the length of the vesting period selected, in accordance with the provisions of Article L. 225-197-1 of the French Commercial Code.

You will be asked to decide that, with regard to the shares granted free of charge to the Company's executive Corporate Officers, definitive acquisition must be subject to the satisfaction of performance conditions that will be set by the Board of Directors on the advice of the Remuneration Committee.

We ask that you grant all powers to the Board of Directors, with the option of delegation within the legal limits, to implement this authorization and, in particular, to:

- determine whether the free shares allocated are shares to be issued and/or existing shares and, where applicable, to amend its choice before the final allocation of the shares;
- determine the identity of the beneficiaries, or the category or categories of beneficiaries, of the share allocations made to the employees and Corporate Officers of the Company or of the aforementioned companies or groupings and the number of shares allocated to each of them;
- set, on the advice of the Remuneration Committee, the conditions, including performance conditions for the beneficiaries concerned and, where applicable, the criteria for allocating shares, in particular the minimum vesting period and, where applicable, the required retention period for each beneficiary, under the conditions provided for above, it being specified that, with regard to the shares granted free of charge to the Company's Corporate Officers, the Board of Directors must either (a) decide that the shares granted free of charge may not be sold by the interested parties before they leave office, or (b) set the quantity of shares granted free of charge that they are required to keep in registered form until they leave office;
- provide for the possibility of temporarily suspending allocation rights;
- record the final allocation dates and, where applicable, the dates from which the shares may be freely transferred, taking into account legal restrictions;
- set the date on which the shares issued will become entitled to dividend and other rights;
- register the free shares allocated in a registered account in the name of their holder, mentioning, where applicable, the retention period and the duration thereof, and the manner in which this restriction on the shares can be released; and
- in the event of the issue of new shares, deduct, where applicable, from the reserves, profits or issue premiums, the sums required to pay up said shares, record the completion of the capital increases carried out pursuant to this authorization, make the corresponding amendments to the bylaws and, in general, carry out all necessary acts and formalities.

We ask you also to decide that the Company may, during the vesting period, where applicable, make the adjustments to the number of free shares allocated needed to preserve the rights of the beneficiaries, depending on any transactions involving the Company's capital, in particular in the event of a change in the par value of the share, a capital increase by capitalization of reserves, the allocation of free shares, the issue of new equity securities with preferential subscription rights reserved for shareholders, stock splits or reverse stock splits, the distribution of reserves, share premiums or any other assets, the redemption of capital, a change in the distribution of profits through the creation of preference shares, or any other transaction involving equity or capital (including by way of a takeover bid and/or in the event of a change of control). It is specified that the shares allocated in application of these adjustments will be deemed to have been allocated on the same day as the shares initially allocated.

You will be asked to note that, in the event of a free allocation of new shares, this authorization shall entail, as and when said shares are definitively allocated, a capital increase by capitalization of reserves, profits or issue premiums in favor of the beneficiaries of said shares and a corresponding waiver by the shareholders, in favor of the beneficiaries of said shares, of their preferential subscription rights to said shares.

We ask you to take note of the fact that, should the Board of Directors make use of this authorization, it shall inform the Ordinary General Meeting each year of the transactions carried out by virtue of the provisions of Articles L. 225-197-1 to L. 225-197-3 and L. 22-10-59 to L. 22-10-60 of the French Commercial Code, in accordance with the conditions set out in Article L. 225-197-4 of said Code.

Finally, we ask that you set the period of validity of this authorization at twenty-six months from the date of the Ordinary and Extraordinary General Meeting of June 25, 2021 and that you take note that it will render null and void, as from that date, the unused portion of any previous authorization with the same purpose, with the exception, to avoid any ambiguity, of the authorization granted under the twenty-sixth resolution, provided that said resolution has been adopted.

8. Authorization to be given to the Board of Directors to grant share subscription or share purchase options to the Group's employees and Corporate Officers or certain of them, entailing the automatic waiver by shareholders of their preferential subscription rights (twenty-eighth resolution).

In accordance with the undertakings given by the Company under Article 13 of the 2021 Conciliation Protocol and its appendices entered into on May 21, 2021, the aim of which was to ensure the long-term survival of the CNIM Group within the meaning of Article L. 611-7 of the French Commercial Code, and providing for the implementation of a Management Incentive Plan, you are asked to entrust the Board of Directors with the implementation of this operation.

In this context, having taken note of the report of the Board of Directors and the special report of the Statutory Auditors, we ask that you authorize the Board of Directors, in accordance with the provisions of Articles L. 225-177 to L. 225-186-1 and L. 22-10-56 to L. 22-10-58 of the French Commercial Code, with the option to delegate to the extent authorized by law, to grant, on one or more occasions, to those it shall designate from among the employees and Corporate Officers of the Company and/or of the companies or groupings that are directly or indirectly linked to it under the conditions of Article L. 225-180 of the French Commercial Code, or certain categories of them, options giving the right, at its discretion, either to subscribe to new shares of the Company to be issued by way of a capital increase, or to purchase existing shares of the Company resulting from repurchases made by the Company.

We ask you to decide that the total number of options that may be granted under this authorization may not give the right to subscribe to or acquire a total number of shares representing, on the date of allocation and taking into account the options already allocated under this authorization, more than 8% of the Company's share capital on the date of the Board of Directors' decision, it being specified that this cap is set autonomously, separately and independently of the caps set in the other resolutions submitted to this General Meeting.

We also ask you to decide, in particular, that the total number of options that may be granted to the executive Corporate Officers under this authorization may not give the right to subscribe to or acquire a total number of shares representing, on the date of allocation and taking into account the options already allocated under this authorization, more than 1.60% of the Company's share capital on the date of the Board of Directors' decision, it being specified that this cap is set autonomously, separately and independently of the caps set in the other resolutions submitted to this General Meeting.

We ask you to decide that, in the event of the granting of share subscription options, the shares' subscription price to be paid by the beneficiaries will be determined on the day the Board of Directors grants the options and may not be less than the average of the prices quoted for the share on the Euronext Paris regulated market - or on any other market that may be substituted for it - during the twenty trading sessions preceding the day on which the subscription options are granted.

You are asked to decide that, in the event of the granting of share purchase options, the shares' purchase price to be paid by the beneficiaries will be determined on the day the Board of Directors grants the options and may not be less than either the average of the prices quoted for the share on the Euronext Paris regulated market - or on any other market that may be substituted for it - during the twenty trading sessions preceding the day on which the purchase options are granted or the average purchase price of shares held by the Company under Article L. 22-10-62 of the French Commercial Code. Furthermore, the subscription or purchase price of shares under option may not be modified except under the circumstances provided for by law, on the occasion of financial or securities transactions. In such a case, the Board of Directors will apply an adjustment, pursuant to the regulations, to the number and price of shares under option in order to take into account the impact of these transactions.

We ask you to decide that the exercise period of the options granted under this authorization, as determined by the Board of Directors, may not exceed ten years from their allocation date, unless a subsequent General Meeting decides to set a longer period.

You will be asked to note that, pursuant to Article L. 225-178 of the French Commercial Code, this authorization entails the express waiver by the shareholders, in favor of the recipients of subscription options, of their preferential rights to subscribe for the shares that will be issued as and when the subscription options are exercised.

You will also be asked to delegate all powers to the Board of Directors, with the option of sub-delegation within the legal limits, to determine the other terms and conditions of the allocation of options and their exercise and, in particular, to:

- set the conditions under which the options will be granted and exercised and determine the list of option recipients;
- set on the advice of the Remuneration Committee, where applicable, the seniority, performance or other conditions to be met by the option recipients;
- in particular, for the options granted, where applicable, to the Company's executive Corporate Officers, set, on the advice of the Remuneration Committee, the performance conditions to be met by recipients, and provide that the options may not be exercised before the recipients leave office or set the quantity of shares that must be retained in registered form until the recipients leave office;
- set the option exercise period(s), extend them where applicable, and, where applicable, establish clauses that prohibit the immediate resale of some or all of the shares;
- determine the date, which may be retroactive, from which the new shares, resulting from the exercise of the options, will become entitled to dividend and other rights;
- decide on the conditions under which the price and number of shares to be subscribed or acquired will have to be adjusted, in particular in the circumstances provided for by the laws in force;
- provide for the possibility of temporarily suspending the exercise of options, in the event of financial or securities transactions;
- have the newly subscribed shares resulting from the exercise of the options admitted to trading on the Euronext Paris regulated market - or on any other market that may be substituted for it;
- limit, restrict or prohibit the exercise of the options during certain periods or following certain events. The Board's decision may cover some or all of the options and concern some or all of the recipients;
- enter into any agreement, take any measures and carry out or arrange for the carrying out of any acts and formalities for the purpose of finalizing the capital increase(s) that may be carried out under the authorization that is the subject of this resolution; amend the bylaws accordingly and, in general, do all that is necessary; and
- if it deems such action appropriate, offset the costs of the capital increases against the amount of the premiums relating to said increases and deduct from this amount the sums necessary to increase the legal reserve to one-tenth of the new share capital following each increase.

Lastly, we ask you to set at twenty-six months from the date of this General Meeting the maximum period during which the Board of Directors is able to use this authorization, which renders null and void the unused portion of any previous authorization with the same purpose. On this point, you are reminded that no previous authorization with the same purpose and still in force has been granted by the General Meeting to the Board of Directors.

We ask lastly that you grant all powers to accomplish all formalities regarding publication, filing and any other pertinent matters to the bearer of the original, an extract or a copy of the minutes to be drawn up of the General Meeting.
Under the above conditions, we ask that you adopt the resolutions the text of which is submitted for your approval.

The Board of Directors

7.2 Resolutions proposed to the Ordinary and Extraordinary General Meeting of June 25, 2021

For consideration as an Ordinary Meeting

First resolution *(Approval of the 2020 company financial statements).* — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of the Management Report of the Board of Directors provided for by Article L. 225-37 of the French Commercial Code, the Report of the Statutory Auditors on the financial statements for the year ended December 31, 2020 and the Report of the Statutory Auditors on the Report of the Board of Directors as provided for by Article L. 225-37 of the French Commercial Code, approves, in the form in which they have been presented, the company financial statements for the year ended December 31, 2020 disclosing a net loss of €105,337,046.20, as well as the transactions recorded in those financial statements and summarized in those reports, approves the amount of expenses and charges not deductible from profits subject to corporation tax as referred to in Article 39-4 of the French General Tax Code, which amount to €47,690.35 and the corresponding tax of €15,270.45, and consequently discharges the Members of the Management Board, the Members of the Supervisory Board, the Members of the Board of Directors and the Chief Executive Officer from the performance of their duties for the financial year then ended.

Second resolution *(Approval of the 2020 consolidated financial statements)* — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of the Management Report of the Board of Directors as provided for by Article L. 225-37 of the French Commercial Code, the Report of the Statutory Auditors on the consolidated financial statements for the year ended December 31, 2020, and the report of the Statutory Auditors on the report of the Board of Directors as provided for by Article L. 225-37 of the French Commercial Code, approves, in the form in which they have been presented, the consolidated financial statements for the year ended December 31, 2020, drawn up in accordance with the provisions of Article L. 233-16 et seq. of the French Commercial Code, disclosing a net loss of €132,485,800, as well as the transactions recorded in those financial statements and summarized in those reports.

Third resolution (Appropriation of profit/(loss)) — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of the Management Report of the Board of Directors, resolves to appropriate the entire loss for the year of €105,337,046.20 to the “Retained earnings” account, which would then have a negative balance of €254,487,426.26.

It is recalled that dividends distributed in respect of the previous three financial years were as follows:

(in €)	2019	2018	2017
No. of shares	3,028,110	3,028,110	3,028,110
Dividend	0	0	5.25

Fourth resolution *(Regulated agreements).* — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of the Special Report of the Statutory Auditors on the agreements referred to in Article L. 225-38 of the French Commercial Code and voting on that report, approves each of the agreements there mentioned in turn, in accordance with the terms of Article L. 225-38 of said Code.

Fifth resolution *(Approval of the information referred to in Article L. 22-10-9 I of the French Commercial Code presented in the Report on corporate governance).* — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of the Report on corporate governance referred to in Article L. 225-37 of the French Commercial Code, approves, in accordance with Article L. 22-10-34 of the French Commercial Code, the information referred to in Article L. 22-10-9 I of the French Commercial Code, as presented in sections 5.1.5 et seq. of the Report on corporate governance included in the 2020 Universal Registration Document.

Sixth resolution *(Approval of the total remuneration and benefits of all kinds paid to Ms. Christiane Dmitrieff in her capacity as Chairman of the Supervisory Board during the period from January 1 to July 31, 2020, or awarded in respect of the same period).* — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of the Report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code, approves, in application of Article L. 22-10-34 of the French Commercial Code, the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during the period from January 1 to July 31, 2020 or awarded in respect of that same period to Ms. Christiane Dmitrieff, Chairman of the Supervisory Board, as shown in section 5.1.5 of the Report on corporate governance included in the 2020 Universal Registration Document.

Seventh resolution *(Approval of the total remuneration and benefits of all kinds paid to Mr. François Canellas in his capacity as Vice-Chairman of the Supervisory Board during the period from January 1 to July 31, 2020, or awarded in respect of the same period).* The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of the Report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code, approves, in application of Article L. 22-10-34 of the French Commercial Code, the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during the period from January 1 to July 31, 2020 or awarded in respect of that same period to Mr. François Canellas, Vice-Chairman of the Supervisory Board, as shown in section 5.1.5 of the Report on corporate governance included in the 2020 Universal Registration Document.

Eighth resolution *(Approval of the total remuneration and benefits of all kinds paid to the Members of the Supervisory Board and to its Committees during the period from January 1 to July 31, 2020, or awarded in respect of the same period).* — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of the Report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code, approves, in application of Article L. 22-10-34 of the French Commercial Code, the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during the period from January 1 to July 31, 2020 or awarded in respect of that same period to the Members of the Supervisory Board and to its Committees, as shown in section 5.1.5 of the Report on corporate governance included in the 2020 Universal Registration Document.

Ninth resolution *(Approval of the total remuneration and benefits of all kinds paid to Mr. Nicolas Dmitrieff in his capacity as Chairman of the Management Board during the period from January 1 to July 31, 2020, or awarded in respect of the same period).* — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of the Report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code, approves, in application of Article L. 22-10-34 of the French Commercial Code, the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during the period from January 1 to July 31, 2020 or awarded in respect of that same period to Mr. Nicolas Dmitrieff, Chairman of the Management Board, as shown in section 5.1.5 of the Report on corporate governance included in the 2020 Universal Registration Document.

Tenth resolution *(Approval of the total remuneration and benefits of all kinds paid to Mr. Nicolas Dmitrieff in his capacity as Chairman of the Board of Directors during the period from July 31 to December 31, 2020, or awarded in respect of the same period).* — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of the Report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code, approves, in application of Article L. 22-10-34 of the French Commercial Code, the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during the period from July 31 to December 31, 2020 or awarded in respect of that same period to Mr. Nicolas Dmitrieff, Chairman of the Board of Directors, as shown in section 5.1.5 of the Report on corporate governance included in the 2020 Universal Registration Document.

Eleventh resolution *(Approval of the total remuneration and benefits of all kinds paid to Ms. Christiane Dmitrieff in her capacity as Vice-Chairman of the Board of Directors during the period from July 31 to December 31, 2020, or awarded in respect of the same period).* — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of the Report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code, approves, in application of Article L. 22-10-34 of the French Commercial Code, the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during the period from July 31 to December 31, 2020 or awarded in respect of that same period to Ms. Christiane Dmitrieff, Vice-Chairman of the Board of Directors, as shown in section 5.1.5 of the Report on corporate governance included in the 2020 Universal Registration Document.

Twelfth resolution *(Approval of the amendment of the remuneration policy applicable to the Chief Executive Officer for the 2020 financial year.* — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of section 5.1.5 of the Report on corporate governance included in the 2020 Universal Registration Document, approves, in accordance with the provisions of Article L. 22-10-8 of the French Commercial Code, the amendment of the remuneration policy applicable to the Company's Chief Executive Officer for the 2020 financial year, as described in the aforementioned report.

Thirteenth resolution *(Approval of the total remuneration and benefits of all kinds paid to Mr. Louis-Roch Burgard in his capacity as Chief Executive Officer during the period from May 26 to December 31, 2020, or awarded in respect of the same period).* — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of the Report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code, approves, in application of Article L. 22-10-34 of the French Commercial Code, the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during the period from May 26 to December 31, 2020 or awarded in respect of that same period to Mr. Louis-Roch Burgard, Chief Executive Officer, as shown in section 5.1.5 of the Report on corporate governance included in the 2020 Universal Registration Document.

Fourteenth resolution *(Approval of the total remuneration and benefits of all kinds paid to the Members of the Board of Directors and to its Committees during the period from July 31 to December 31, 2020, or awarded in respect of the same period).* — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of the Report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code, approves, in application of Article L. 22-10-34 of the French Commercial Code, the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during the period from July 31 to December 31, 2020 or awarded in respect of that same period to the Members of the Board of Directors and to its Committees, as shown in section 5.1.5 of the Report on corporate governance included in the 2020 Universal Registration Document.

Fifteenth resolution *(Approval of the remuneration policy applicable to the Chairman of the Board of Directors for the 2021 financial year).* — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of the Report on corporate governance referred to in Article L. 225-37 of the French Commercial Code, approves, in accordance with Article L. 22-10-8 II of the French Commercial Code, the remuneration policy applicable to the Chairman of the Board of Directors for the 2021 financial year, as shown in sections 5.1.5 et seq. of the Report on corporate governance included in the 2020 Universal Registration Document.

Sixteenth resolution *(Approval of the remuneration policy applicable to the Vice-Chairman of the Board of Directors for the 2021 financial year).* — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of the Report on corporate governance referred to in Article L. 225-37 of the French Commercial Code, approves, in accordance with Article L. 22-10-8 II of the French Commercial Code, the remuneration policy applicable to the Vice-Chairman of the Board of Directors for the 2021 financial year, as shown in sections 5.1.5 et seq. of the Report on corporate governance included in the 2020 Universal Registration Document.

Seventeenth resolution *(Approval of the remuneration policy applicable to the Chief Executive Officer for the 2021 financial year).* — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of the Report on corporate governance referred to in Article L. 225-37 of the French Commercial Code, approves, in accordance with Article L. 22-10-8 II of the French Commercial Code, the remuneration policy applicable to the Chief Executive Officer for the 2021 financial year, as shown in sections 5.1.5 et seq. of the Report on corporate governance included in the 2020 Universal Registration Document.

Eighteenth resolution *(Approval of the remuneration policy applicable to the Members of the Board of Directors and to its Committees for the 2021 financial year).* — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of the Report on corporate governance referred to in Article L. 225-37 of the French Commercial Code, approves, in accordance with Article L. 22-10-8 II of the French Commercial Code, the remuneration policy applicable to the Members of the Board of Directors and to its Committees for the 2021 financial year, as shown in sections 5.1.5 et seq. of the Report on corporate governance included in the 2020 Universal Registration Document.

Nineteenth resolution *(Appointment of Soluni SA as a director of the Company).* — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken note of the Report of the Board of Directors, appoints:

Soluni, whose registered office is at 35 rue de Bassano, 75008 Paris, which is registered in the Paris Trade and Companies Register under number 400 544 292 and has as its permanent representative Ms. Sophie Herlicq, who was born on June 21, 1964 in Neuilly-sur-Seine and resides at 29 rue de Tolbiac, 75013 Paris, as a director for a term of four (4) years which will expire at the close of the General Meeting called to approve the financial statements for the financial year ending December 31, 2024.

SOLUNI indicated that it accepted this appointment and that it was not affected by any measure that could prevent it from holding the position.

Twentieth resolution *(Authorization to be given to the Board of Directors to trade in the Company's shares)* — The General Meeting, voting in accordance with the quorum and majority required for Ordinary General Meetings, having taken account of the report of the Board of Directors, authorizes the Board of Directors, with the power to delegate under the conditions provided for by law, in accordance with Article L. 22-10-62 of the French Commercial Code, to have the Company purchase its own shares up to a limit of 10% of the shares forming the share capital at the date of such purchase, in compliance with the legal and regulatory conditions applicable at the time of its action and in particular with the conditions and obligations imposed by Articles L. 22-10-62 to L. 22-10-65 of the French Commercial Code, by Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014, by Article L.451-3 of the French Monetary and Financial Code and by the provisions of Articles 241-1 to 241-7 of the AMF's General Regulation, and resolves that this authorization may be used with a view to:

- ensuring liquidity and stimulating the market in the shares via an investment services provider acting completely independently, within the framework of a liquidity agreement which conforms to the principles regarding liquidity agreements detailed in the code of ethics established by the French Financial Markets Association (AMAFI) dated March 8, 2011, as appended to the AMF decision of March 21, 2011 amending the AMF decision of October 1, 2008;
- delivering the Company's shares upon the exercise of rights attaching to transferable securities giving access to the Company's capital;
- allocating the Company's shares to employees or Corporate Officers of the Company or companies in its Group under the terms and in the manner provided by law, in particular in the context of profit sharing or stock option programs, by allocating free shares under the terms of Articles L. 225-197-1 et seq. of the French Commercial Code or under the conditions prescribed by Articles L. 3332-1 et seq. of the French Labour Code;
- retaining the Company's shares for subsequent reissue in payment or exchange in the context of mergers or acquisitions, up to a limit of 5% of the share capital as provided for in paragraph 6 of Article L. 225-10-62 of the French Commercial Code;
- cancelling some or all of the shares thus repurchased, subject to authorization being granted by the Extraordinary General Meeting;
- undertaking any market practice permitted by the AMF, and more generally carrying out any other transaction which complies with the regulations in force.
- decides that the purchase, sale or transfer of these shares may be effected, provided that the regulations in force are respected, by any means, on one or more occasions, in the market or outside the market (in particular over the counter and including by means of derivative financial instruments) and at any time, in particular during a takeover bid; that the portion of the program that may be conducted via block trades shall not be limited and may represent the entirety of the program;
- decides that the maximum purchase price per Company share is set at €200, it being specified that this amount may be adjusted by the Board of Directors in the case of transactions affecting the Company's share capital, in particular where capital is increased through the capitalization of reserves by issuing free additional shares, by increasing the nominal value of the shares, by stock split or by reverse stock split;
- takes due note of the fact that, according to the law, the total shares held by the Company may not exceed 10% of the share capital;
- decides that the maximum amount of funds used for this share repurchase program may not exceed €60,562,200;
- decides to grant the Board of Directors all powers to implement this authorization, in particular the power to choose the timing for commencing a repurchase program and to determine its nature, and also to allocate or reallocate the shares acquired to the various purposes pursued subject to the applicable legal and regulatory conditions, it being specified that the Board of Directors may, under the conditions provided for by law, delegate to the Chief Executive Officer, or with his agreement to one or more of its other members, the powers necessary to carry out the program, and in particular the power to place any stock market orders, conclude any agreements regarding in particular the keeping of records of share repurchases and sales, carry out all formalities, measures and declarations vis-à-vis the AMF and any other body, allocate and where applicable reallocate the shares acquired to the various purposes pursued under the conditions provided for by law and, in general, to do whatever may be necessary;
- decides that the Board of Directors shall inform the Annual General Meeting of transactions executed, in accordance with applicable regulations, decides that this authorization shall be valid for a term of eighteen months from the date of this Meeting, and that it shall render null and void the unused portion of any previous authorization with the same purpose.

<u>For consideration as an Extraordinary Meeting</u>

Twenty-first resolution *(Ratification of the transfer of the Company's registered office).* — The General Meeting, voting in accordance with the quorum and majority required for Extraordinary General Meetings, having taken account of the report of the Board of Directors, ratifies the transfer of the Company's registered office to 64 rue Anatole France, 92300 Levallois Perret on March 15, 2021, and consequently the corresponding amendments to the bylaws.

Twenty-second resolution *(Recognition of the decrease in the equity to a level less than one-half of the share capital and decision on the continuation of the Company's operations in accordance with Article L. 225-248 of the French Commercial Code).* — The General Meeting, voting in accordance with the quorum and majority required, in accordance with the first paragraph of Article L. 225-248 of the French Commercial Code, notes that the Company's equity remains less than one-half of the share capital and resolves, in accordance with the provisions of Article L. 225-248 of the French Commercial Code, not to dissolve the Company and therefore to continue its operations.

Twenty-third resolution *(Authorization to be given to the Board of Directors to reduce the share capital by cancelling treasury shares).* — The General Meeting, voting in accordance with the quorum and majority required for Extraordinary General Meetings, having taken note of the report of the Board of Directors and the Special Report of the Statutory Auditors:

- authorizes the Board of Directors, in accordance with the provisions of Article L. 22-10-62 of the French Commercial Code, to cancel, at its sole discretion, on one or more occasions, some or all of the shares that the Company holds or may hold in treasury as a result of exercising the various authorizations to purchase shares granted to the Board of Directors in General Meeting, up to a limit of 10% of the share capital per twenty-four month period;

- delegates to the Board of Directors, with power to sub-delegate in accordance with the law, all powers necessary to carry out the reduction(s) in share capital arising from cancellations authorized by this resolution, to cause the necessary accounting entries to be made, to allocate the difference between the purchase price and the nominal value of the cancelled shares to any balance sheet position for issue premiums or available reserves, to make corresponding amendments to the bylaws and, in general, to complete all necessary formalities;

- grants this authorization for a term of eighteen months;

- decides that this authorization renders null and void with effect from this day the unused portion of any previous authorization with the same purpose.

Twenty-fourth resolution *(Delegation of authority to be given to the Board of Directors to issue bonds redeemable in shares in a nominal amount of thirty-five million euros to named beneficiaries with cancellation of shareholders' preferential subscription rights)* — The General Meeting, voting in accordance with the quorum and majority required for Extraordinary General Meetings, having taken note of the report of the Board of Directors, the report of the Statutory Auditors and the report prepared by Finexsi as an independent expert pursuant to Article 261-3 of the AMF General Regulation, having taken note of the prospectus relating to the admission to trading on the regulated Euronext Paris market of new ordinary shares which may, where applicable, be issued in connection with the redemption of the bonds redeemable in shares which are the subject of this resolution, subject to AMF approval (the "Prospectus"), noting that the share capital is fully paid-up, in accordance with the provisions of Articles L. 225-129 et seq. of the French Commercial Code, Articles L. 225-135 and L. 225-138 et seq. of the French Commercial Code and Articles L. 228-91 et seq. of the French Commercial Code, and subject to the condition precedent of the adoption of the twenty-fifth resolution submitted to this Meeting, it being specified that that resolution and this one form an indivisible whole and are interdependent, delegates to the Board of Directors, with the right to delegate and sub-delegate in accordance with the law, its authority to decide, in the proportions and at the times it deems appropriate, on the issuance, without shareholders' preferential subscription rights, on one or more occasions, in France or abroad, of 35,000,000 bonds redeemable in ordinary shares of the Company (the "issue A bonds (ORA)"), with a nominal value of one euro (€1.00), which may be paid up in cash, including by way of set-off against certain, liquid and due receivables, for a total nominal amount of €35,000,000 and consequently:

decides to cancel the preferential subscription rights reserved for the shareholders by Article L. 225-132 of the French Commercial Code and to reserve subscription for the issue A bonds (ORA) whose issuance is authorized under the terms of this resolution for:

- Banque Palatine, a French limited company (société anonyme) whose registered office is at 42 rue d'Anjou, 75008 Paris and which is registered in the Paris Trade and Companies Register under number 542 104 245,
- BNP Paribas, a French limited company (société anonyme) whose registered office is at 16 boulevard des Italiens, 75009 Paris and which is registered in the Paris Trade and Companies Register under number 662 042 449,
- BRED Banque Populaire, a French cooperative bank (société coopérative de banque populaire à forme anonyme) whose registered office is at 18 quai de la Rapée, 75012 Paris and which is registered in the Paris Trade and Companies Register under number 552 091 795,
- Commerzbank Aktiengesellschaft, Luxembourg Branch, the Luxembourg branch of Commerzbank Aktiengesellschaft, a limited company whose registered office is at Kaiserstrasse 16, 60311 Frankfurt am Main, Germany and which is registered in the Frankfurt am Main Trade and Companies Register under number HRB 32000, said branch being located at 25 rue Edward Steichen, L-2540, Luxembourg and registered in the Luxembourg Trade and Companies Register under number B119317,
- Crédit du Nord, a French limited company (société anonyme) whose registered office is at 28 place Rihour, 59000 Lille and whose headquarters are at 59 boulevard Haussmann, 75008 Paris and which is registered in the Lille Métropole Trade and Companies Register under number 456 504 851,
- Crédit Lyonnais, a French limited company (société anonyme) whose registered office is at 18 rue de la République, 69002 Lyon and whose headquarters are at 20 avenue de Paris, 94811 Villejuif Cedex and which is registered in the Lyon Trade and Companies Register under number 954 509 741,
- HSBC Continental Europe, a French limited company (société anonyme) whose registered office is at 38 avenue Kléber, 75116 Paris and which is registered in the Paris Trade and Companies Register under number 775 670 284,
- Natixis, a French limited company (société anonyme) whose registered office is at 30 avenue Pierre Mendès France, 75013 Paris and which is registered in the Paris Trade and Companies Register under number 542 044 524,
- Société Générale, a French limited company (société anonyme) whose registered office is at 29 boulevard Haussmann, 75009 Paris and which is registered in the Paris Trade and Companies Register under number 552 120 222,
- Caisse d'Epargne CEPAC, a French limited company (société anonyme) whose registered office is at BP 108 place Estrangin Pastré, 13254 Marseille Cedex 06 and which is registered in the Marseille Trade and Companies Register under number 775 559 404,

(being hereinafter referred to, collectively, as the "A Beneficiaries")

- decides that the unit issue price of the issue A bonds (ORA) to be issued pursuant to this delegation will be one euro (€1.00) per issue A bond (ORA),
- decides that the issue A bonds (ORA) to be issued pursuant to this delegation will be in registered form only and will not be admitted to trading on the Euronext Paris regulated market or on any other regulated market,
- decides that the issue A bonds (ORA) will have a maturity of six (6) years and six (6) months from the date of their issuance and that they will bear interest from the date of their issuance until their redemption at a rate equal to

Euribor (floor at 0) plus a margin paid annually in cash equal to 1 (one) per cent plus a non-conversion premium of 4 (four) per cent per annum of the aggregate nominal values of the issue A bonds (ORA), with full capitalization of the amounts accrued annually, which will be due and paid only in the event of redemption in cash, by the Company;

- decides that the issue A bonds (ORA) may be redeemed in cash or in new ordinary shares of the Company in accordance with the terms and conditions to be defined and determined by the Board of Directors, and decides that in the event of redemption in new shares of the Company, one (1) issue A bond (ORA) will give the right to 0.065 of a new ordinary share of the Company to be issued (subject to adjustment) which will be immediately assimilated into the Company's existing shares, in accordance with the terms and conditions to be defined and determined by the Board of Directors,
- decides that the maximum total number of new ordinary shares of the Company that may be issued in connection with the redemption of the principal amount of the issue A bonds (ORA) will be 2,275,000 new ordinary shares, to which may be added, where applicable, the additional number of shares to be issued in order to preserve, in accordance with legal and regulatory provisions and, where applicable, contractual stipulations providing for other cases of adjustment, the rights of the holders of securities and other rights giving access to the Company's shares,
- specifies, to the extent necessary, that pursuant to Articles L. 225-132 and L. 228-91 of the French Commercial Code, this decision automatically entails, in favor of the holders of issue A bonds (ORA), the waiver by shareholders of their preferential subscription rights in respect of the shares to be issued following the redemption of the issue A bonds (ORA), in favour of the A Beneficiaries,
- decides that the Board of Directors will have all powers, with the option of sub-delegation under the conditions provided for by law, to implement, under the conditions laid down by law and the bylaws, this delegation in order to, although this list should not be regarded as restrictive:
- record the fulfilment of the above-mentioned condition precedent,
- decide on the issuance of issue A bonds (ORA),
- determine, within the limits hereof, the terms and conditions of issuance and the characteristics and terms of the issue A bonds (ORA) (including the terms and conditions of adjustment of the issue A bonds (ORA) in the event of transactions in the Company's share capital), and in particular the dates, terms and conditions, the final number of issue A bonds (ORA) to be issued and allocated to each of the A Beneficiaries and the terms and conditions of issuance of the issue A bonds (ORA) pursuant to this delegation,
- collect the subscription forms and the related payments,
- make any adjustments intended to take into account the impact of transactions in the Company's share capital and set the terms and conditions according to which the rights of holders of securities that give or may give access to the Company's share capital will be preserved, where applicable,
- make any required adjustments, in accordance with the legal and regulatory provisions and, where applicable, the contractual provisions of the issue A bonds (ORA) providing for other cases of adjustment,
- record the number of shares that may be issued upon redemption of the issue A bonds (ORA),
- carry out the formalities required by the corresponding capital increases and make the corresponding amendments to the bylaws,
- at its sole initiative, offset the costs of the capital increases against the amount of the premiums relating thereto and deduct from this amount the sums necessary to fund the legal reserve,
- record, upon redemption of the issue A bonds (ORA) in shares, the completion of the capital increase and make the corresponding amendments to the bylaws as well as to the related publication and filing formalities,
- generally, enter into any agreement, in particular to successfully complete the contemplated bond issue, take all measures and carry out all formalities required for the issuance and financial servicing of the issue A bonds (ORA) (and of the shares issued in redemption of the issue A bonds (ORA)) by virtue of this delegation, as well as for the exercise of the rights attached thereto, and
- take any decision with a view to the admission to trading of the new shares issued in redemption of the issue A bonds (ORA) on any market on which the Company's shares are admitted to trading,
- sets at eighteen (18) months from the date of the General Meeting the period of validity of this delegation thus granted to the Board of Directors,
- takes note of the fact that, in the event that the Board uses the delegation of authority granted to it in this resolution, the Board shall report to the next Ordinary General Meeting, in accordance with the law and regulations, on the use made of the authorizations granted under this resolution.

Twenty-fifth resolution *(Delegation of authority to be given to the Board of Directors to issue bonds redeemable in shares in a nominal amount of one hundred and twenty-eight million euros to named beneficiaries with cancellation of shareholders' preferential subscription rights)* — The General Meeting, voting in accordance with the quorum and majority required for Extraordinary General Meetings, having taken note of the report of the Board of Directors, the report of the Statutory Auditors and the report prepared by Finexsi as an independent expert pursuant to Article 261-3 of the AMF General Regulation, having taken note of the prospectus relating to the admission to trading on the regulated Euronext Paris market of new ordinary shares which may, where applicable, be issued in connection with the redemption of the bonds redeemable in shares which are the subject of this resolution, subject to AMF approval (the "Prospectus"), noting that the share capital is fully paid-up, in accordance with the provisions of Articles L. 225-129 et seq. of the French Commercial Code, Articles L. 225-135 and L. 225-138 et seq. of the French Commercial Code and Articles L. 228-91 et seq. of the French Commercial Code, and subject to the condition precedent of the adoption of the twenty-fourth resolution submitted to this Meeting, it being specified that that resolution and this one form an indivisible whole and are interdependent,

- delegates to the Board of Directors, with the right to delegate and sub-delegate in accordance with the law, its authority to decide, in the proportions and at the times it deems appropriate, on the issuance, without shareholders' preferential subscription rights, on one or more occasions, in France or abroad, of 128,000,000 bonds redeemable in ordinary shares of the Company (the "issue B bonds (ORA)"), with a nominal value of one euro (€1.00), which may be paid up in cash, including by way of set-off against certain, liquid and due receivables, for a total nominal amount of €128,000,000,
- decides to cancel the preferential subscription rights reserved for the shareholders by Article L. 225-132 of the French Commercial Code and to reserve subscription for the issue B bonds (ORA) whose issuance is authorized under the terms of this resolution for:
  - Banque Palatine, a French limited company (société anonyme) whose registered office is at 42 rue d'Anjou, 75008 Paris and which is registered in the Paris Trade and Companies Register under number 542 104 245,
  - BNP Paribas, a French limited company (société anonyme) whose registered office is at 16 boulevard des Italiens, 75009 Paris and which is registered in the Paris Trade and Companies Register under number 662 042 449,
  - BRED Banque Populaire, a French cooperative bank (société coopérative de banque populaire à forme anonyme) whose registered office is at 18 quai de la Rapée, 75012 Paris and which is registered in the Paris Trade and Companies Register under number 552 091 795,
  - Commerzbank Aktiengesellschaft, Luxembourg Branch, the Luxembourg branch of Commerzbank Aktiengesellschaft, a limited company whose registered office is at Kaiserstrasse 16, 60311 Frankfurt am Main, Germany and which is registered in the Frankfurt am Main Trade and Companies Register under number HRB 32000, said branch being located at 25 rue Edward Steichen, L-2540, Luxembourg and registered in the Luxembourg Trade and Companies Register under number B119317,
  - Crédit du Nord, a French limited company (société anonyme) whose registered office is at 28 place Rihour, 59000 Lille and whose headquarters are at 59 boulevard Haussmann, 75008 Paris and which is registered in the Lille Métropole Trade and Companies Register under number 456 504 851,
  - Crédit Lyonnais, a French limited company (société anonyme) whose registered office is at 18 rue de la République, 69002 Lyon and whose headquarters are at 20 avenue de Paris, 94811 Villejuif Cedex and which is registered in the Lyon Trade and Companies Register under number 954 509 741,
  - HSBC Continental Europe, a French limited company (société anonyme) whose registered office is at 38 avenue Kléber, 75116 Paris and which is registered in the Paris Trade and Companies Register under number 775 670 284,
  - Natixis, a French limited company (société anonyme) whose registered office is at 30 avenue Pierre Mendès France, 75013 Paris and which is registered in the Paris Trade and Companies Register under number 542 044 524,
  - Société Générale, a French limited company (société anonyme) whose registered office is at 29 boulevard Haussmann, 75009 Paris and which is registered in the Paris Trade and Companies Register under number 552 120 222,
  - Caisse d'Epargne CEPAC, a French limited company (société anonyme) whose registered office is at BP 108 place Estrangin Pastré, 13254 Marseille Cedex 06 and which is registered in the Marseille Trade and Companies Register under number 775 559 404,
  - Martin GmbH für Umwelt- und Energietechnik, a German limited company (Gesellschaft mit beschränkter Haftung) whose registered office is at Leopoldstraße 246, 80807 Munich, in Germany and which is registered with the Munich district court (Amtsgericht München) under number 69889,

(being hereinafter referred to, collectively, as the "B Beneficiaries")

- decides that the unit issue price of the issue B bonds (ORA) to be issued pursuant to this delegation will be one euro (€1.00) per issue B bond (ORA),
- decides that the issue B bonds (ORA) to be issued pursuant to this delegation will be in registered form only and will not be admitted to trading on the Euronext Paris regulated market or on any other regulated market,
- decides that the issue B bonds (ORA) will have a maturity of six (6) years and six (6) months from the date of their issuance and that they will bear interest from the date of their issuance until their redemption at a rate equal to Euribor (floor at 0) plus a margin paid annually in cash equal to 0.75% plus a non-conversion premium of 4 (four) per cent per annum of the aggregate nominal values of the issue B bonds (ORA), with full capitalization of the amounts accrued annually, which will be due and paid only in the event of redemption in cash, by the Company;
- decides that the issue B bonds (ORA) may be redeemed in cash or in new ordinary shares of the Company in accordance with the terms and conditions to be defined and determined by the Board of Directors, and decides that in the event of redemption in new shares of the Company, one (1) issue B bond (ORA) will give the right to 0.065 of a new ordinary share of the Company to be issued (subject to adjustment) which will be immediately assimilated into the Company's existing shares, in accordance with the terms and conditions to be defined and determined by the Board of Directors,
- decides that the maximum total number of new ordinary shares of the Company that may be issued in connection with the redemption of the principal amount of the issue B bonds (ORA) will be 8,320,000 new ordinary shares, to which may be added, where applicable, the additional number of shares to be issued in order to preserve, in accordance with legal and regulatory provisions and, where applicable, contractual stipulations providing for other cases of adjustment, the rights of the holders of securities and other rights giving access to the Company's shares,
- specifies, to the extent necessary, that pursuant to Articles L. 225-132 and L. 228-91 of the French Commercial Code, this decision automatically entails, in favor of the holders of issue B bonds (ORA), the waiver by shareholders of their preferential subscription rights in respect of the shares to be issued following the redemption of the issue B bonds (ORA), in favour of the B Beneficiaries,
- decides that the Board of Directors will have all powers, with the option of sub-delegation under the conditions provided for by law, to implement, under the conditions laid down by law and the bylaws, this delegation in order to, although this list should not be regarded as restrictive:
  - record the fulfilment of the above-mentioned condition precedent,
  - decide on the issuance of issue B bonds (ORA),
  - determine, within the limits hereof, the terms and conditions of issuance and the characteristics and terms of the issue B bonds (ORA) (including the terms and conditions of adjustment of the issue B bonds (ORA) in the event of transactions in the Company's share capital), and in particular the dates, terms and conditions, the final number of issue B bonds (ORA) to be issued and allocated to each of the B Beneficiaries and the terms and conditions of issuance of the issue B bonds (ORA) pursuant to this delegation,
  - collect the subscription forms and the related payments,
  - make any adjustments intended to take into account the impact of transactions in the Company's share capital and set the terms and conditions according to which the rights of holders of securities that give or may give access to the Company's share capital will be preserved, where applicable,
  - make any required adjustments, in accordance with the legal and regulatory provisions and, where applicable, the contractual provisions of the issue B bonds (ORA) providing for other cases of adjustment,
  - record the number of shares that may be issued upon redemption of the issue B bonds (ORA),
  - carry out the formalities required by the corresponding capital increases and make the corresponding amendments to the bylaws,
  - at its sole initiative, offset the costs of the capital increases against the amount of the premiums relating thereto and deduct from this amount the sums necessary to fund the legal reserve,
  - record, upon redemption of the issue B bonds (ORA) in shares, the completion of the capital increase and make the corresponding amendments to the bylaws as well as to the related publication and filing formalities,
  - generally, enter into any agreement, in particular to successfully complete the contemplated bond issue, and take all measures and carry out all formalities required for the issuance and financial servicing of the issue B bonds (ORA) (and of the shares issued in redemption of the issue B bonds (ORA)) by virtue of this delegation, as well as for the exercise of the rights attached thereto, and
  - take any decision with a view to the admission to trading of the new shares issued in redemption of the issue B bonds (ORA) on any market on which the Company's shares are admitted to trading,
  - sets at eighteen (18) months from the date of the General Meeting the period of validity of this delegation thus granted to the Board of Directors,

- takes note of the fact that, in the event that the Board uses the delegation of authority granted to it in this resolution, the Board shall report to the next Ordinary General Meeting, in accordance with the law and regulations, on the use made of the authorizations granted under this resolution.

Twenty-sixth resolution *(Authorization to be given to the Board of Directors to make free allocations of existing shares or shares to be issued to the Group's employees or certain of them, entailing the automatic waiver by shareholders of their preferential subscription rights).* — The General Meeting, voting in accordance with the quorum and majority required for Extraordinary General Meetings, having taken note of the report of the Board of Directors and the Special Report of the Statutory Auditors:

authorizes the Board of Directors, within the framework of the provisions of Articles L. 225-197-1 et seq. and L. 22-10-59 of the French Commercial Code, with the option of delegating this power to the extent authorized by law, to carry out, on one or more occasions, at the times it seems appropriate, the free allocation of existing shares or shares to be issued, to the beneficiaries or categories of beneficiaries that it shall determine from among the employees of the Company or of the companies or groupings that are linked to it under the conditions provided for in Article L. 225-197-2 of said Code, in accordance with the conditions set out below;

decides that the total number of existing shares or shares to be issued and allocated by virtue of this authorization may not represent more than 6.22% of the share capital on the date of the Board of Directors' decision to allocate free shares. To this cap shall be added, where applicable, the shares to be issued in respect of the adjustments to be made to preserve the rights of the beneficiaries of free share allocations. It is specified that this cap is set autonomously, separately and independently of the caps set in the other resolutions submitted to this General Meeting, with the exception of the twenty-seventh resolution, subject to its adoption, and for which the aggregate number of free shares allocated under this resolution and the twenty-seventh resolution may not exceed 10% of the Company's share capital as of the date of the decision of the Board of Directors to allocate free shares, subject to applicable legal provisions;

decides that the allocation of said shares to their beneficiaries will become definitive at the end of a vesting period whose duration will be set by the Board of Directors, which may not be less than one year, it being understood that the allocation of said shares to their beneficiaries will become definitive before the expiry of the aforementioned vesting period in the event of the beneficiary's disability corresponding to his/her classification in the second or third category provided for in Article L. 341-4 of the French Social Security Code (Code de la sécurité sociale), and that said shares will be freely transferable in the event of the beneficiary's disability corresponding to his/her classification in the aforementioned categories of the French Social Security Code; the General Meeting authorizes the Board of Directors to provide or not to provide for a retention obligation at the end of the vesting period, depending on the length of the vesting period selected, in accordance with the provisions of Article L. 225-197-1 of the French Commercial Code;

grants all powers to the Board of Directors, with the option of delegation within the legal limits, to implement this authorization and, in particular, to:

- determine whether the free shares allocated are shares to be issued and/or existing shares and, where applicable, to amend its choice before the final allocation of the shares;
- determine the identity of the beneficiaries, or the category or categories of beneficiaries, of the share allocations made to the employees of the Company or of the aforementioned companies or groupings and the number of shares allocated to each of them;
- set the conditions, including performance conditions for the beneficiaries concerned and, where applicable, the criteria for allocating shares, in particular the minimum vesting period and, where applicable, the required retention period for each beneficiary, as provided for above;
- provide for the possibility of temporarily suspending allocation rights;
- record the final allocation dates and, where applicable, the dates from which the shares may be freely transferred, taking into account legal restrictions;
- set the date on which the shares issued will become entitled to dividend and other rights;
- register the free shares allocated in a registered account in their holder’s name, mentioning, where applicable, the retention period and the duration thereof, and the manner in which this restriction on the shares can be released;
- in the event of the issue of new shares, deducts, where applicable, from the reserves, profits or issue premiums, the sums required to pay up said shares, record the completion of the capital increases carried out pursuant to this authorization, make the corresponding amendments to the bylaws and, in general, carry out all necessary acts and formalities;
- decides that the Company may, during the vesting period, where applicable, make the adjustments to the number of free shares allocated needed to preserve the rights of the beneficiaries, depending on any transactions involving

the Company's capital, in particular in the event of a change in the par value of the share, a capital increase by capitalization of reserves, the allocation of free shares, the issue of new equity securities with preferential subscription rights reserved for shareholders, stock splits or reverse stock splits, the distribution of reserves, share premiums or any other assets, the redemption of capital, a change in the distribution of profits through the creation of preference shares, or any other transaction involving equity or capital (including by way of a takeover bid and/or in the event of a change of control). It is specified that the shares allocated in application of these adjustments will be deemed to have been allocated on the same day as the shares initially allocated;

- notes that, in the event of a free allocation of new shares, this authorization shall entail, as and when said shares are definitively allocated, a capital increase by capitalization of reserves, profits or issue premiums in favor of the beneficiaries of said shares and a corresponding waiver by the shareholders, in favor of the beneficiaries of said shares, of their preferential subscription rights to said shares;
- takes note of the fact that, should the Board of Directors make use of this authorization, it shall inform the Ordinary General Meeting each year of the transactions carried out by virtue of the provisions of Articles L. 225-197-1 to L. 225-197-3 and L. 22-10-59 of the French Commercial Code, in accordance with the conditions set out in Article L. 225-197-4 of said Code;
- sets the period of validity of this authorization at twenty-six months from the date of this General Meeting and takes note that it will render null and void, as from that date, the unused portion of any previous authorization with the same purpose.

Twenty-seventh resolution *(Authorization to be given to the Board of Directors to make free allocations of existing shares or shares to be issued to the Group's employees and Corporate Officers or certain of them, entailing the automatic waiver by shareholders of their preferential subscription rights).* — The General Meeting, voting in accordance with the quorum and majority required for Extraordinary General Meetings, having taken note of the report of the Board of Directors and the Special Report of the Statutory Auditors:

- authorizes the Board of Directors, within the framework of the provisions of Articles L. 225-197-1 et seq., L. 22-10-59 and L. 22-10-60 of the French Commercial Code, with the option of delegating this power to the extent authorized by law, to carry out, on one or more occasions, at the times it seems appropriate, the free allocation of existing shares or shares to be issued, to the beneficiaries or categories of beneficiaries that it shall determine from among the employees of the Company or of the companies or groupings that are linked to it under the conditions provided for in Article L. 225-197-2 of said Code and the Corporate Officers of the Company or of the companies or groupings that are linked to it and that meet the conditions specified in Articles L. 225-197-1 II, L. 22-10-59 III and L. 22-10-60 of said Code, in accordance with the conditions set out below;
- decides that the total number of existing shares or shares to be issued and allocated by virtue of this authorization may not represent more than 3.78% of the share capital on the date of the Board of Directors' decision to allocate free shares. To this cap shall be added, where applicable, the shares to be issued in respect of the adjustments to be made to preserve the rights of the beneficiaries of free share allocations. It is specified that this cap is set autonomously, separately and independently of the caps set in the other resolutions submitted to this General Meeting, with the exception of the twenty-sixth resolution, subject to its adoption, and for which the aggregate number of free shares allocated under this resolution and the twenty-sixth resolution may not exceed 10% of the Company's share capital as of the date of the Board of Directors' decision to allocate free shares, subject to applicable legal provisions.
- decides that the total number of existing shares or shares to be issued and allocated by virtue of this authorization to the Company's executive Corporate Officers may not exceed 1% of the Company's share capital on the date of the Board of Directors' decision to allocate free shares. To this cap shall be added, where applicable, the shares to be issued in respect of the adjustments to be made to preserve the rights of the beneficiaries of free share allocations;
- decides that the allocation of said shares to their beneficiaries will become definitive at the end of a vesting period whose duration will be set by the Board of Directors, which may not be less than one year, it being understood that the allocation of said shares to their beneficiaries will become definitive before the expiry of the aforementioned vesting period in the event of the beneficiary's disability corresponding to his/her classification in the second or third category provided for in Article L. 341-4 of the French Social Security Code (Code de la sécurité sociale), and that said shares will be freely transferable in the event of the beneficiary's disability corresponding to his/her classification in the aforementioned categories of the French Social Security Code; the General Meeting authorizes the Board of Directors to provide or not to provide for a retention obligation at the end of the vesting period, depending on the length of the vesting period selected, in accordance with the provisions of Article L. 225-197-1 of the French Commercial Code;

- decides that, with regard to the shares granted free of charge to the Company's executive Corporate Officers, definitive acquisition must be subject to the satisfaction of performance conditions that will be set by the Board of Directors on the advice of the Remuneration Committee;
- grants all powers to the Board of Directors, with the option of delegation within the legal limits, to implement this authorization and, in particular, to:
- determine whether the free shares allocated are shares to be issued and/or existing shares and, where applicable, to amend its choice before the final allocation of the shares;
- determine the identity of the beneficiaries, or the category or categories of beneficiaries, of the share allocations made to the employees and Corporate Officers of the Company or of the aforementioned companies or groupings and the number of shares allocated to each of them;
- set, on the advice of the Remuneration Committee, the conditions, including performance conditions for the beneficiaries concerned and, where applicable, the criteria for allocating shares, in particular the minimum vesting period and, where applicable, the required retention period for each beneficiary, under the conditions provided for above, it being specified that, with regard to the shares granted free of charge to the Company's Corporate Officers, the Board of Directors must either (a) decide that the shares granted free of charge may not be sold by the interested parties before they leave office, or (b) set the quantity of shares granted free of charge that they are required to keep in registered form until they leave office;
- provide for the possibility of temporarily suspending allocation rights;
- record the final allocation dates and, where applicable, the dates from which the shares may be freely transferred, taking into account legal restrictions;
- set the date on which the shares issued will become entitled to dividend and other rights;
- register the free shares allocated in a registered account in their holder’s name, mentioning, where applicable, the retention period and the duration thereof, and the manner in which this restriction on the shares can be released;
- in the event of the issue of new shares, deduct, where applicable, from the reserves, profits or issue premiums, the sums required to pay up said shares, record the completion of the capital increases carried out pursuant to this authorization, make the corresponding amendments to the bylaws and, in general, carry out all necessary acts and formalities;
- decides that the Company may, during the vesting period, where applicable, make the adjustments to the number of free shares allocated needed to preserve the rights of the beneficiaries, depending on any transactions involving the Company's capital, in particular in the event of a change in the par value of the share, a capital increase by capitalization of reserves, the allocation of free shares, the issue of new equity securities with preferential subscription rights reserved for shareholders, stock splits or reverse stock splits, the distribution of reserves, share premiums or any other assets, the redemption of capital, a change in the distribution of profits through the creation of preference shares, or any other transaction involving equity or capital (including by way of a takeover bid and/or in the event of a change of control). It is specified that the shares allocated in application of these adjustments will be deemed to have been allocated on the same day as the shares initially allocated;
- notes that, in the event of a free allocation of new shares, this authorization shall entail, as and when said shares are definitively allocated, a capital increase by capitalization of reserves, profits or issue premiums in favor of the beneficiaries of said shares and a corresponding waiver by the shareholders, in favor of the beneficiaries of said shares, of their preferential subscription rights to said shares;
- takes note of the fact that, should the Board of Directors make use of this authorization, it shall inform the Ordinary General Meeting each year of the transactions carried out by virtue of the provisions of Articles L. 225-197-1 to L. 225-197-3 and L. 22-10-59 to L. 22-10-60 of the French Commercial Code, in accordance with the conditions set out in Article L. 225-197-4 of said Code;
- sets the period of validity of this authorization at twenty-six months from the date of this General Meeting and takes note that it will render null and void, as from that date, the unused portion of any previous authorization with the same purpose, with the exception of the authorization granted under the twenty-sixth resolution, provided that said resolution has been adopted.

Twenty-eighth resolution *(Authorization to be given to the Board of Directors to grant share subscription or share purchase options to the Group's employees and Corporate Officers or certain of them, entailing the automatic waiver by shareholders of their preferential subscription rights).* — The General Meeting, voting in accordance with the quorum and majority required for Extraordinary General Meetings, having taken note of the report of the Board of Directors and the Special Report of the Statutory Auditors:

- authorizes the Board of Directors, in accordance with the provisions of Articles L. 225-177 to L. 225-186-1 and L. 22-10-56 to L. 22-10-58 of the French Commercial Code, with the option to delegate to the extent authorized by law, to grant, on one or more occasions, to those it shall designate from among the employees and Corporate Officers of the Company and/or of the companies or groupings that are directly or indirectly linked to it under the conditions of Article L. 225-180 of the French Commercial Code, or certain categories of them, options giving the right, at its discretion, either to subscribe to new shares of the Company to be issued by way of a capital increase, or to purchase existing shares of the Company resulting from repurchases made by the Company;
- decides that the total number of options that may be granted under this authorization may not give the right to subscribe to or acquire a total number of shares representing, on the allocation date and taking into account the options already allocated under this authorization, more than 8% of the Company’s share capital on the date of the Board of Directors’ decision, it being specified that this cap is set autonomously, separately and independently of the caps set in the other resolutions submitted to this General Meeting;
- decides, in particular, that the total number of options that may be granted to the Company’s executive Corporate Officers under this authorization may not give the right to subscribe to or acquire a total number of shares representing, on the allocation date and taking into account the options already allocated under this authorization, more than 1.60% of the Company’s share capital on the date of the Board of Directors’ decision, it being specified that this cap is set autonomously, separately and independently of the caps set in the other resolutions submitted to this General Meeting;
- decides that, in the event of the granting of share subscription options, the shares’ subscription price to be paid by the beneficiaries will be determined on the day the Board of Directors grants the options and may not be less than the average of the prices quoted for the share on the Euronext Paris regulated market - or on any other market that may be substituted for it - during the twenty trading sessions preceding the day on which the subscription options are granted;
- decides that, in the event of the granting of share purchase options, the shares’ purchase price to be paid by the beneficiaries will be determined on the day the Board of Directors grants the options and may not be less than either the average of the prices quoted for the share on the Euronext Paris regulated market - or on any other market that may be substituted for it - during the twenty trading sessions preceding the day on which the purchase options are granted or the average purchase price of shares held by the Company under Article L. 22-10-62 of the French Commercial Code. Furthermore, the subscription or purchase price of shares under option may not be modified except under the circumstances provided for by law, on the occasion of financial or securities transactions. In such a case, the Board of Directors will apply an adjustment, pursuant to the regulations, to the number and price of shares under option in order to take into account the impact of these transactions;
- decides that the exercise period of the options granted under this authorization, as determined by the Board of Directors, may not exceed ten years from their allocation date, unless a subsequent General Meeting decides to set a longer period;
- notes that, pursuant to Article L. 225-178 of the French Commercial Code, this authorization entails the express waiver by the shareholders, in favor of the beneficiaries of subscription options, of their preferential rights to subscribe for the shares that will be issued as and when the subscription options are exercised;
- delegates all powers to the Board of Directors, with the option of sub-delegation within the legal limits, to determine the other terms and conditions of the allocation of options and their exercise and, in particular, to:
- set the conditions under which the options will be granted and exercised and determine the list of option recipients;
- set on the advice of the Remuneration Committee, where applicable, the seniority, performance or other conditions to be met by the option recipients;
- in particular, for the options granted, where applicable, to the Company's executive Corporate Officers, set, on the advice of the Remuneration Committee, the performance conditions to be met by recipients, and provide that the options may not be exercised before the recipients leave office or set the quantity of shares that must be retained in registered form until the recipients leave office;
- set the option exercise period(s), extend them where applicable, and, where applicable, establish clauses that prohibit the immediate resale of some or all of the shares;
- determine the date, which may be retroactive, from which the new shares, resulting from the exercise of the options, will become entitled to dividend and other rights;

- decide on the conditions under which the price and number of shares to be subscribed or acquired will have to be adjusted, in particular in the circumstances provided for by the laws in force;
- provide for the possibility of temporarily suspending the exercise of options, in the event of financial or securities transactions;
- have the newly subscribed shares resulting from the exercise of the options admitted to trading on the Euronext Paris regulated market - or on any other market that may be substituted for it;
- limit, restrict or prohibit the exercise of the options during certain periods or following certain events. The Board's decision may cover some or all of the options and concern some or all of the recipients;
- enter into any agreement, take any measures and carry out or arrange for the carrying out of any acts and formalities for the purpose of finalizing the capital increase(s) that may be carried out under the authorization that is the subject of this resolution; amend the bylaws accordingly and, in general, do all that is necessary;
- if it deems such action appropriate, offset the costs of the capital increases against the amount of the premiums relating to said increases and deduct from this amount the sums necessary to increase the legal reserve to one-tenth of the new share capital following each increase;
- sets at twenty-six months from the date of this General Meeting the maximum period during which the Board of Directors is able to use this authorization, which renders null and void the unused portion of any previous authorization with the same purpose.

For consideration as an Ordinary Meeting

Twenty-ninth resolution *(Powers).* — The General Meeting grants all powers to effect all formalities regarding filing, publication and any other pertinent matters to the bearer of an original, a copy or an extract of these minutes.

7.3 Statutory Auditors' Report on the consolidated financial statements

This is a free translation into English of the Statutory Auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This Statutory Auditors' report includes information required by European regulation and French law,

such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

for the year ended December 31, 2020

To the General Meeting

CNIM Groupe

64 rue Anatole France

92300 Levallois Perret

Opinion

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying consolidated financial statements of CNIM Groupe for the year ended December 31, 2020.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2020 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 above opinion is consistent with the content of our report to the Audit Committee.

Basis of our opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules specified by the French Commercial Code (Code de commerce) and by the French Code of Ethics (Code de déontologie) for Statutory Auditors during the period from January 1, 2020 to the date of our report and specifically we did not provide any services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

Material uncertainty related to going concern

Without qualifying the above opinion, we draw your attention to the material uncertainty relating to events or circumstances that may affect the going concern assumption described in Note 1.B "Going concern" to the consolidated financial statements.

Observation

Without qualifying the above opinion, we draw your attention to the subsequent events described in Note 32 to the consolidated financial statements which, in addition to the new conciliation procedure, reports an increase in costs at completion of certain projects in the UK and a technical incident at a plant accepted by the client.

Justification of our assessments - Key audit matters

Due to the global crisis related to the COVID-19 pandemic, the financial statements for this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of health emergency have had numerous consequences for companies, particularly as regards their operations and their financing, and have led to greater uncertainties as regards their future prospects. Some of those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and on the performance of the audits.

It is in this complex and evolving context that, pursuant to the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were of most significance to our audit of the consolidated financial statements for the year, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

Key audit matter – Estimates to completion on construction contracts

Risk identified

As indicated in Note 1.C.j and 1.D to the consolidated financial statements, the Group's business involves construction contracts for which revenues and margins are recognized based on the percentage of completion of each project. The percentage completed at year end results from the ratio of cumulative costs incurred and expensed to date to estimated costs of the project at completion.

The revenue and margin to be recognized for any given year (as well as any provision for loss at completion) is therefore directly dependent on the estimates of selling prices and costs to completion made in respect of the projects and the Group's ability to measure them reliably.

The Group regularly updates these estimates. The operational teams also rely on their long experience and on a budgetary forecasting system with inbuilt checks.

The degree of judgement used in making these estimates is nonetheless significant, bearing in mind the uncertainties that inevitably weigh on long or complex operations (such as the construction of a waste treatment unit in the Environment business segment or the manufacture of advanced systems for the defense or space industries), or in the case of negotiations in progress vis-à-vis the client or subcontractors, changes in the scope of the contract or claims in respect of cost overruns.

These factors led us to consider the system for monitoring construction contracts and assessing the reasonableness of the estimates to project completion as a key audit matter.

Our response

We selected the projects with the highest risk profiles based on criteria such as scale, technical complexity and margin rate at completion or variance in margin at completion, and for each of these projects, we:

- reviewed the application, at December 31, 2020, of the Company's controls relating to the estimation of revenues and costs to completion,
- studied the contractual terms and the Company's commitments,
- met with the people in charge of the projects and heard their views on the progress, risks and uncertainties on the selected projects,
- reconciled the revenue to completion figures with contractual data,
- corroborated the degree of progress by reference to the explanations provided or technical documents, correspondence with the clients concerned or dedicated analyses as appropriate in each case,
- reviewed the future cost estimates on the basis of analyses of variations relative to the initial and/or previous budget and, where appropriate, audit evidence such as signed contracts or quotations,
- assessed the reasonableness of the assumptions used and provisions made for the risks and uncertainties weighing on the project by consulting the available documentation (scenarios or analyses prepared by the Company, correspondence with clients or experts, etc.) and by relying on our experience acquired in previous years.

Key audit matter – Valuation of fixed assets

Risk identified

In the context of its growth, the Group has carried out targeted acquisitions which have resulted in the recognition of goodwill (whose valuation and recognition principles are described in Note 1.C.b to the consolidated financial statements) and has invested in new activities which have resulted in the recognition of tangible assets.

The total amount of goodwill shown in the balance sheet was €62.9 million at December 31, 2020. Of this, €31.7 million concerned the "Environment & Energy - Construction" CGU of the Environment & Energy business segment, which posted significant losses in 2020 due to difficulties experienced in the execution of several major construction contracts, and €31.2 million concerned the "Bertin Systems & Consultancy" CGU of the Innovation & Systems business segment. The goodwill of the "Industrial Systems Division" CGU was reduced to zero as a result of the €4 million impairment provision recognized during the year.

Management makes sure during each financial year that the carrying amount of these goodwill items does not exceed their recoverable amount. The recoverable amount is determined in accordance with a calculation method based on projected future cash flows over four years discounted to present value and on the computation of a terminal value deriving from the projection's last year cash flow. The impairment test methods used are described in Note 1.C.g to the consolidated financial statements and details of the assumptions used are presented in Notes 13.A and 13.C to the consolidated financial statements.

In view of the inherent sensitivity of the valuation of these assets to the financial assumptions (discount rate and perpetual growth rate) and to the estimates made by Management regarding business volume and returns in an environment characterized by the health crisis and by the significant operating losses incurred by the Group in 2020, we considered the valuation of the goodwill items of each of the three aforementioned CGUs to be a key audit matter.

Our response

We assessed the compliance of the methodology applied by the Company with the accounting standards in force.

We undertook a critical review of the means used to implement this methodology and have in particular:

- Reconciled the sum of the net assets tested with the net assets as per the consolidated financial statements;
- Reviewed the methodology for calculating the value in use and the reasonableness of the financial assumptions embedded in this calculation (perpetual growth rate and discount rate);
- Assessed the reasonableness of the cash flow projections in light of:

    (i)the economic and financial context relevant to these activities,

    (ii)the contracts included in the backlog or expected contracts in future periods,

    (iii)actual flows during the year, and

    (iv)the difference between the actual and expected cash flows for the same year in the projections made in previous reporting periods;
- Assessed, for the ""Bertin Systems and Advisory" and "Industrial Systems Division" CGUs, the differences between the offers received under the affiliation/divestment protocol with the net assets and value in use calculated for these CGUs;
- Compared the cash flow projections with Management's latest estimates as presented to the Board of Directors as part of the budget process;
- Assessed sensitivity to the key assumptions;
- Assessed the relevance of the information provided in the notes to the consolidated financial statements.

Specific verifications

As required by legal and regulatory provisions and in accordance with professional standards applicable in France, we have also verified the information pertaining to the Group presented in the Board of Directors' Management Report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the information pertaining to the Group provided in the Management Report includes the consolidated non-financial information statement required under Article L.225-102-1 of the French Commercial Code. However, in accordance with Article L. 823-10 of the French Commercial Code, we have not verified the fair presentation and consistency with the consolidated financial statements of the information given in that statement, which will be the subject of a report by an independent third party.

Other verifications or information required by law and regulations

Presentation format for the consolidated financial statements to be included in the annual financial report

In accordance with Article 222-3 III of the AMF's General Regulation, your Company's Management has informed us of its decision to postpone the application of the European Single Electronic Format as defined by European Delegated Regulation No. 2019/815 of December 17, 2018 to financial years beginning on or after January 1, 2021. Consequently, this report does not include a conclusion on compliance with this format in the presentation of the consolidated financial statements to be included in the annual financial report referred to in Article L. 451-1-2 I of the French Monetary and Financial Code (Code monétaire et financier).

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of CNIM Groupe by your Annual General Meetings held on June 19, 1995 as regards Calan Ramolino et Associés, an entity of the Deloitte network, on June 12, 2007 as regards Deloitte & Associés, a member of the Deloitte network, and on May 29, 2013 as regards PricewaterhouseCoopers Audit.

At December 31, 2020, Deloitte & Associés was in the twenty-sixth and PricewaterhouseCoopers Audit was in the eighth year of their respective uninterrupted terms, taking account of the mergers and acquisitions of auditing firms that took place before these dates.

Responsibilities of the Management and those charged with 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 Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements have been approved by the Board of Directors.

Statutory Auditors' responsibilities for the audit of the consolidated financial statements

Audit objective and audit 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 always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified by Article L. 823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of the management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgement throughout the audit,

and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures to address those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his 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 omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;

- assesses the appropriateness of the accounting methods applied and the reasonableness of the accounting estimates made by Management, as well as the related information provided in the consolidated financial statements;
- assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or to refuse to certify the statements;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditor is 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 Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance to the audit of the consolidated financial statements of the year and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the French Code of Ethics (Code de déontologie) for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris La Défense, May 21, 2021

The Statutory Auditors

PricewaterhouseCoopers Audit
Sébastien Lasou

Deloitte & Associés
Philippe Battisti

7.4 Statutory Auditors' Report on the annual financial statements

This is a free translation into English of the Statutory Auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This Statutory Auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

for the year ended December 31, 2020

To the General Meeting

CNIM Groupe

64 rue Anatole France

92300 Levallois Perret

Opinion

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying financial statements of CNIM Groupe for the year ended December 31, 2020.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as of December 31, 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis of our opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibilities under those standards are further described in the

"Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules specified by the French Commercial Code (Code de commerce) and by the French Code of Ethics (Code de déontologie) for Statutory Auditors during the period from January 1, 2020 to the date of our report and specifically we did not provide any services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

Material uncertainty related to going concern

Without qualifying the above opinion, we draw your attention to the material uncertainty relating to events or circumstances that may affect the going concern assumption described in Note 2 "Accounting policies and methods - Going concern" to the annual financial statements.

Observation

Without qualifying the above opinion, we draw your attention to Note 3

"Significant events of the period" to the annual financial statements which describes the finalization of the Company's legal reorganization carried out on November 1, 2020.

Justification of our assessments - Key audit matters

Due to the global crisis related to the COVID-19 pandemic, the financial statements for this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of health emergency have had numerous consequences for companies, particularly as regards their operations and their financing, and have led to greater uncertainties as regards their future prospects. Some of those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and on the performance of the audits.

It is in this complex and evolving context that, pursuant to the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, in addition to the point described in the section entitled "Material uncertainty related to going concern", we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were of most significance to our audit of the annual financial statements for the year, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and of the forming of our above opinion. We do not express an opinion on items of these financial statements taken in isolation.

Key audit matter – Estimates to completion on construction contracts

<u>Risk identified</u>

As indicated in Note 2.D to the annual financial statements, the Company's business involves construction contracts for which revenues and margins are recognized based on the percentage of completion of each project. The percentage completed at year end results from the ratio of cumulative costs incurred and expensed to date to estimated costs of the project at completion.

The revenue and margin to be recognized for any given year (as well as any provision for loss at completion) is therefore directly dependent on the estimates of selling prices and costs to completion made in respect of the projects and the Company's ability to measure them reliably.

The Company regularly updates these estimates. The operational teams also rely on their long experience and on a budgetary forecasting system with inbuilt checks.

The degree of judgement used in making these estimates is nonetheless significant, bearing in mind the uncertainties that inevitably weigh on long or complex operations (such as the construction of a waste treatment unit in the Environment business segment or the manufacture of advanced systems for the defense or space industries), or in the case of negotiations in progress vis-à-vis the client or subcontractors, changes in the scope of the contract or claims in respect of cost overruns.

These factors led us to consider the system for monitoring construction contracts and assessing the reasonableness of the estimates to project completion as a key audit matter.

<u>Our response</u>

We selected the projects with the highest risk profiles based on criteria such as scale, technical complexity and margin rate at completion or variance in margin at completion, and for each of these projects, we:

- reviewed the application, at December 31, 2020, of the Company's controls relating to the estimation of revenues and costs to completion,
- studied the Company's contractual terms and commitments,
- met with the people in charge of the projects and heard their views on the progress, risks and uncertainties on the selected projects,
- reconciled the revenue to completion figures with contractual data,
- corroborated the degree of progress by reference to the explanations provided or technical documents, correspondence with the clients concerned or dedicated analyses as appropriate in each case,
- reviewed the future cost estimates on the basis of analyses of variations relative to the initial and/or previous budget and, where appropriate, audit evidence such as signed contracts or quotations,
- assessed the reasonableness of the assumptions used and provisions made for the risks and uncertainties weighing on the project by consulting the available documentation (scenarios or analyses prepared by the Company, correspondence with clients or experts, etc.) and by relying on our experience acquired in previous years.

Key audit matter - Partial contributions of assets to a Group entity at November 1, 2020

Risk identified

On November 1, 2020, as part of the finalization of the reorganization of the Group's legal structure, CNIM Groupe contributed part of its assets to an ad hoc subsidiary which now houses the operating division E&E EPC. Following this reorganization, CNIM Groupe houses certain corporate activities and no longer carries out any operating activities.

Note 3 to the annual financial statements relating to "Significant events of the period" summarizes the impact of this reorganization on the closing balance sheet.

Given the exceptional nature and materiality of this reorganization to the financial statements, we considered its accounting treatment to be a key audit matter.

Our response

As part of our audit, we reviewed the legal and tax documentation drawn up by the Company, with the help of experts in this type of operation.

We obtained and reconciled the allocation schedule for each financial aggregate between the companies involved in this operation.

We assessed the relevance of the defined allocation rules and satisfied ourselves as to their correct application by reference, depending on the circumstances, to the company's management accounting records or a direct examination of the underlying accounting documentation. Where relevant, we carried out these verifications on a sample basis.

Lastly, we verified that the information disclosed in the notes to the annual financial statements is appropriate and facilitates comparisons between financial years.

Specific verifications

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French legal and regulatory provisions.

Information given in the management report and in the other documents provided to shareholders with respect to the financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors management report and in the other documents provided to shareholders with respect to the financial position and the financial statements.

We attest to the fair presentation and the consistency with the financial statements of the information given with respect to the payment terms referred to in Article D. 441-6 of the French Commercial Code.

Information on corporate governance

We attest to the existence in the corporate governance section of the Board of Directors' management report of the information required by Articles L. 225-37-4, L. 22- 10-10 and L. 22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code relating to remuneration and benefits received by or allocated to the Corporate Officers and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from controlled consolidated companies. Based on this work, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your Company considered likely to have an impact in the event of a takeover or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code, we have verified their compliance with the source documents communicated to us. Based on this work, we have no observations to make on this information.

Other information

In accordance with the law, we have ensured that the various information relating to the acquisition of shareholdings and control and the identity of the holders of the share capital or voting rights has been communicated to you in the management report.

Other verifications or information required by law and regulations

Presentation format for the annual financial statements to be included in the annual financial report

In accordance with Article 222-3 III of the AMF's General Regulation, your Company's Management has informed us of its decision to postpone the application of the European Single Electronic Format as defined by European Delegated Regulation No. 2019/815 of December 17, 2018 to financial years beginning on or after January 1, 2021. Consequently, this report does not include a conclusion on compliance with this format in the presentation of the annual financial statements to be included in the annual financial report referred to in Article L. 451-1-2 I of the French Monetary and Financial Code (Code monétaire et financier).

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of CNIM Groupe by your Annual General Meetings held on June 19, 1995 as regards Calan Ramolino et Associés, an entity of the Deloitte network, on June 12, 2007 as regards Deloitte & Associés, a member of the Deloitte network, and on May 29, 2013 as regards PricewaterhouseCoopers Audit.

At December 31, 2020, Deloitte & Associés was in the twenty-sixth and PricewaterhouseCoopers Audit was in the eighth year of their respective uninterrupted terms, taking account of the mergers and acquisitions of auditing firms that took place before these dates.

Responsibilities of Management and those charged with governance for the annual financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The annual financial statements have been approved by the Board of Directors.

Statutory Auditor's responsibilities for the audit of the annual financial statements

Audit objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the 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 always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgement throughout the audit, and furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures to address those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his 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 omissions, misrepresentations, or the override of internal control;

- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the financial statements;
- assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or to refuse to certify the statements;
- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance to the audit of the financial statements of the year and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the French Code of Ethics (Code de déontologie) for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris La Défense, May 21, 2021

The Statutory Auditors

PricewaterhouseCoopers Audit
Sébastien Lasou

Deloitte & Associés
Philippe Battisti

7.5 Special report of the Statutory Auditors on regulated agreements and commitments

This is a free translation into English of the Statutory Auditors' special report on related-party agreements issued in French and is provided solely for the convenience of English speaking readers.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Annual General Meeting for the approval of the financial statements for the year ended December 31, 2020

To the shareholders,

In our capacity as Statutory Auditors of your Company, we hereby report to you on related-party agreements and commitments.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of Article R. 225-58 and R. 225-31 of the French Commercial Code (Code de commerce), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by Articles R. 225-58 and R. 225-31 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the Annual General Meeting.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) relating to this engagement. These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents.

AGREEMENTS SUBMITTED FOR APPROVAL

Agreements authorized and entered into during the financial year last ended

We hereby inform you that we have not been advised of any agreements authorized and entered into during the financial year last ended, for the period from January 1 to July 31, 2020, to be submitted for the approval of the General Meeting pursuant to the provisions of Article L. 225-86 of the French Commercial Code.

In addition, in accordance with Article L. 225-40 of the French Commercial Code, we were informed of the following agreements entered into during the year, which were subject to prior authorization by your Board of Directors as from July 31, 2020.

1. Agreements for the rebilling of off-balance sheet commitments to your Company's subsidiaries

- Person concerned: Mr. Louis-Roch Burgard (Chief Executive Officer and director of your Company as from July 31, 2020 and executive Corporate Officer of the subsidiaries that are parties to said agreements as from July 31, 2020).
- Nature, purpose and conditions: In consideration for off-balance sheet commitments given by your Company to guarantee the commitments made by its subsidiaries to third parties, which may take the form of parent company guarantees issued directly by your Company and/or guarantees issued by banking institutions, it was agreed that the subsidiaries benefiting from said guarantees would remunerate your Company in respect of them. The basic principle for determining this remuneration is the arm's length pricing principle, which takes into account the specific features of your Company's financial position and the specific features of the project in question. It is the sum of (i) any bank fees charged to your Company and (ii) internal fees reflecting the risks borne by your Company on behalf of its subsidiary.

The conclusion of these agreements, which took place on November 14, 2020 with retroactive effect to January 1, 2020, was authorized by the Board of Directors on November 13, 2020.

The amount of income recognized by your Company during the 2020 financial year totalled €1,870,147.42.

- Reason justifying the benefits of the agreements for your Company: Your Board of Directors has taken the view that these agreements allow your Company to be remunerated for the risk transferred to it by its subsidiaries.

2. Agreements for the rebilling of Group central services provided to your Company's subsidiaries

- Person concerned: Mr. Louis-Roch Burgard (Chief Executive Officer and director of your Company as from July 31, 2020 and executive Corporate Officer of the subsidiaries that are parties to said agreements as from July 31, 2020).
- Nature, purpose and conditions: The purpose of these agreements is for your Company to provide various services to its subsidiaries, which are the heads of the Group's Business Divisions, particularly in the areas of support for general management, communication and public relations, finance (excluding accounting), legal affairs, human resources (excluding payroll) and procurement, in return for payment by the subsidiaries of fees consisting of the rebilling of internal and any external costs incurred to carry out said services, the internal costs being billed pro rata to the time spent plus a 5% service and handling fee, it being the responsibility of the latter subsidiaries to rebill said services to those of their own subsidiaries that benefit from them.

The conclusion of these agreements with retroactive effect to January 1, 2020 was authorized by the Board of Directors on November 27, 2020.

The amount of income recognized by your Company during the 2020 financial year totalled €18,287,766.50.

- Reason justifying the benefits of the agreements for your Company: Your Board of Directors has taken the view that these agreements allow your Company to share some of its administrative resources with its subsidiaries.

Agreements authorized and entered into since the reporting date

We have been advised of the following agreement, authorized and entered into since the end of the year last ended, which was subject to prior authorization by your Board of Directors.

Agreement in principle and 2021 Conciliation Protocol and its appendices providing for the implementation of new confirmed lines of bonds entered into by CNIM Groupe and its subsidiaries, the EPS institutions, the Agent, Martin GmbH für Umwelt- und Energietechnik, the French State and First Abu Dhabi Bank

- Persons concerned:
- Mr. Louis-Roch Burgard (Chief Executive Officer and director as from July 31, 2020 and executive Corporate Officer of the subsidiaries that are parties to said protocol as from July 31, 2020).
- Mr. Ulrich Martin (director of your Company as from July 31, 2020 and Chief Executive Officer of Martin GmbH für Umwelt- und Energietechnik),

Mr. Johannes Martin (director of your Company as from July 31, 2020 and director of Martin GmbH für Umwelt- und Energietechnik until May 19, 2020).

- Nature, purpose and conditions: An agreement in principle was entered into on March 25, 2021 summarizing the terms and conditions envisaged for your Company’s financial restructuring and the commitments made by the various parties to this end; this agreement was followed on May 21, 2021 by a conciliation protocol (the "2021 Conciliation Protocol"), the purpose of which is to formalize the respective and reciprocal commitments of the parties in the context of the conciliation procedures.

The 2021 Conciliation Protocol, entered into under the aegis of the conciliator within the framework of Articles L. 611-4 et seq. and R. 611-22 et seq. of the French Commercial Code, provides for the following measures:

- Grant of new financing in the form of a participating loan: on March 25, 2021, the French State granted your subsidiary CNIM E&E EPC a €40 million bridging loan with a six-month term in the form of "recovery aid" granted by the FDES, bearing interest at Euribor (floor at 0%) plus 4.0% per year. This loan will be replaced by a participating loan of the same amount with a ten-year term, bearing interest at 4.75% per year, with a five-year repayment moratorium;
- Conversion of the existing debt into Bonds Redeemable in Shares (ORA): the existing debt including the RCF syndicated credit line and the "Exensor" medium-term financing (for €138 million), the Martin GmbH für Umwelt- und Energietechnik bond issue (for €20 million), as well as certain bank overdrafts, will be converted into 16,300,000,000 bonds (ORA) with a nominal value of one euro cent and a six-and-a-half year term. These bonds (ORA) will be redeemed into shares at the option of the holder in the event of default or automatically at the end of a six-and-a-half year period. These bonds (ORA) may be redeemed in cash at any time, at CNIM’s discretion. Their redemption can only be demanded by the lenders in the event of a court-supervised liquidation or in the

event that your Company decides to open a safeguard procedure (procédure de sauvegarde). These bonds (ORA) are divided into two tranches: tranche A of €35 million bearing interest at Euribor (floor at 0%) plus 5% per year (of which 1% is payable annually and 4% is capitalizable) and tranche B of €128 million bearing interest at Euribor (floor at 0%) plus 4.75% per year (of which 0.75% is payable annually and 4% is capitalizable). The capitalizable interest is payable only in the event of redemption in cash.

It is also provided that in the event of full redemption of the bonds (ORA) in cash, their holders will also receive additional flat-rate remuneration of €20 million. In the event of redemption in shares, the applicable conversion ratio will be 100 bonds for 0.065 of a new ordinary share.

Given these characteristics, your Company will recognize these instruments in equity. Only the interest that is payable annually will result in the recognition of a debt (in the order of €8.5 million).

- *The restructuring of certain medium-term financing facilities granted under the 2020 Conciliation Protocol, as mentioned in the second part of this report*: repayment of the medium-term financing provided by the French State (FDES) and by the banking pool is not required until April 30, 2021. These loans will be repaid on a straight-line basis, quarterly as from December 11, 2021 so that they will be repaid in full by September 11, 2023. The proceeds from the divestment of CNIM's O&M and Biomass businesses, due to be received in the first half of 2021, will be used first and foremost to repay one-half of the principal amount of these loans. As regards the proceeds from the divestment of Bertin IT, 50% or a minimum of €2 million will be used to repay the principal amount of these loans;
- *The restructuring of the Martin Gmbh für Umwelt- und Energietechnik bond issue*: this bond issue, as explained in the section entitled "Agreements approved during the financial year last ended" in the second part of this report, will be converted into bonds (ORA) in the amount of €20 million, the amount considered to be existing debt. A capital increase in respect of LAB totalling €17.5 million (on the basis of LAB's 2020 financial statements which will be adjusted on the closing date) will be carried out by your Company for the benefit of Martin GmbH für Umwelt- und Energietechnik in exchange for the extinguishment of an equivalent portion of the bond issue. Following this capital increase, Martin GmbH für Umwelt- und Energietechnik will have a 49% non-controlling interest in LAB over which your Company will retain control under IFRS rules. The €7.5 million balance of the bond issue will be rescheduled to be repaid on a straight-line basis, quarterly as from June 11, 2022 so that it will be repaid in full by September 11, 2023;
- *the implementation of a new line of banking guarantees*: these lines cover the performance bonds that the Group must issue for the purposes of signing the construction contracts projected in the business plan for 2021 and early 2022. The maturity date (March 31, 2022) corresponds to the date on which the line is available for drawdown. These guarantees supplement the existing guarantees in respect of the contracts currently being executed. Their remaining in force is conditional on your Company entering into two EPC contracts by December 1, 2021;
- The implementation of an asset divestment program at the end of a four-and-a-half year period, with the aim of generating cash for the CNIM Group, enabling it to pay off its creditors;
- The introduction of a performance-based remuneration scheme for employees and managers, the terms and conditions of which are currently under discussion and will be submitted to the General Meeting of your Company's shareholders for approval;
- Lastly, the bonds (ORA), the existing trusts and the bank guarantees will have standard default clauses, as well as cross-default clauses linked to the situation of Soluni, the holding company that owns the majority of your Company's share capital.

The cross-default clauses relating to Soluni's situation cover in substance four assumptions: Soluni (i) decides to no longer support CNIM's financial restructuring, (ii) defaults on its payment obligations in respect of its debt, (iii) becomes the subject of collective proceedings and (iv) initiates legal action to prevent or delay the repayment at maturity of its debt or to call into question the validity or effectiveness of the sureties it has granted.

The Board of Directors authorized the signing of the agreement in principle on March 23, 2021 and the 2021 Conciliation Protocol on May 7, 2021. This protocol will eventually have an impact on the liabilities in CNIM's balance sheet, i.e. a reduction in financial debt of nearly €160 million and the replenishment of equity by nearly €200 million.

Reason justifying the benefits of the agreement for your Company: Your Board of Directors has taken the view that the 2021 Conciliation Protocol makes it possible to restore the level of your Company's equity and to provide it with the guarantees required to respond to the Group's calls for tender.

AGREEMENTS ALREADY APPROVED BY THE ANNUAL GENERAL MEETING

Agreements approved during previous financial years, performance of which continued during the financial year last ended

In accordance with Articles R. 225-57 and R. 225-30 of the French Commercial Code, we have been informed that performance of the following agreements, approved by the Annual General Meeting in previous years, continued during the financial year last ended.

1. Unemployment – loss of corporate office insurance contract entered into in favor of Mr. Nicolas Dmitrieff

- Person concerned: Mr. Nicolas Dmitrieff (Chairman of the Management Board until July 31, 2020 and Chairman of the Board of Directors from July 31, 2020)
- Nature, purpose and conditions: In order for Mr. Nicolas Dmitrieff to benefit from unemployment – loss of corporate office insurance in the event of his removal, your Company has entered into an insurance contract in favor of Mr. Nicolas Dmitrieff to enable him to benefit from the necessary coverage in such an event.

The signing of this insurance contract was authorized by the Supervisory Board on October 27, 2005 in favor of the former CEO then in office.

The continuation of this insurance contract in favor of Mr. Nicolas Dmitrieff was authorized by the Supervisory Board on October 22, 2009.

This agreement remained in force in 2020; the amount recognized by your Company and paid during the year was €11,260.98.

2. Agreements with LAB SAS, formerly LAB S.A.

- Persons concerned:
  - Mr. Nicolas Dmitrieff (Chairman of your Company's Management Board until July 31, 2020, Chairman of your Company's Board of Directors and representative of CNIM Groupe as from July 31, 2020 and a director of LAB S.A. until May 20, 2020),
  - Messrs Christophe Favrelle and Stanislas Ancel (members of your Company's Management Board until July 31, 2020 and directors of LAB S.A. until May 20, 2020),
  - Mr. François Canellas (member of your Company's Supervisory Board until July 31, 2020 and director of LAB S.A. until May 20, 2020),
  - Louis-Roch Burgard (member of your Company's Management Board having the title of Chief Executive Officer from May 26, 2020 to July 31, 2020 then Chief Executive Officer and director of your Company since July 31, 2020, and Chairman of LAB SAS, formerly LAB S.A., since July 31, 2020).

a. Amended sales assistance agreement

<u>Nature, purpose and conditions:</u> In consideration of the sales assistance provided by your Company and the exclusive rights granted by your Company to LAB S.A. for the treatment of smoke generated by new plants built by the Company, it was agreed that LAB S.A. would pay your Company a fee amounting to 6% of revenues for compliance procedures for existing plants and 3% of revenues for new plants. This agreement was authorized by the Supervisory Board on October 27, 2005.

Subsequent to the signing of this agreement, it became apparent that LAB S.A. might have some of the procedures covered by the agreement carried out by its subsidiary LAB GmbH. In such a case, your Company and LAB S.A. decided to specify in an amendment to the sales assistance agreement that the fees due to CNIM under this agreement would be paid directly by the subsidiary concerned.

The signing of this amendment was authorized by the Supervisory Board on November 24, 2011.

Pursuant to this agreement and its amendment, your Company received the following fees in 2020:

- in respect of sales assistance to LAB SAS: revenue recorded (excl. VAT) during the year: €421,000
- in respect of sales assistance to LAB GmbH: none.

b. Cross-licensing patent agreements

<u>Nature, purpose and conditions:</u> Since CNIM Groupe and LAB S.A. each have a certain number of patents and related trademarks, it seemed a good idea from a sales point of view for each company to be able to promote and propose to its customers the patents belonging to the other company. Accordingly, your Company and LAB S.A. decided to sign cross-licensing patent agreements. These agreements also provide for the consequences of a reduction in your Company's shareholding in LAB S.A. to less than 50%.

These agreements were authorized by the Supervisory Board on April 7, 2011.

Under these agreements, no compensation is due by the licensee.

3. Agreements with Martin GmbH für Umwelt und Energietechnik

Persons concerned:

- Martin GmbH für Umwelt- und Energietechnik represented by Mr. Ulrich Martin (member of your Company's Supervisory Board until July 31, 2020),
- Mr. Ulrich Martin (director of your Company as from July 31, 2020 and Chief Executive Officer of Martin GmbH für Umwelt- und Energietechnik),
- Mr. Johannes Martin (member of your Company's Supervisory Board until July 31, 2020, director of your Company as from July 31, 2020 and director of Martin GmbH für Umwelt- und Energietechnik until May 19, 2020).

a. Cooperation agreement

Nature, purpose and conditions: Since 1970, your Company has been working with Martin GmbH für Umwelt – und Energietechnik in the area of household waste incineration plants. The combustion system is provided by Martin GmbH für Umwelt – und Energietechnik and the rest of the plant by your Company (including energy recovery, power generation, electrical installation and the control system, as well as the lead contractor services).

A new cooperation agreement was signed on June 9, 2005. It specifies the territories covered under the agreement and the respective responsibilities of your Company and Martin GmbH für Umwelt – und Energietechnik (remuneration for engineering and provision of the Martin combustion system).

This new agreement received prior authorization from the Supervisory Board on January 27, 2005.

This agreement remained in force in 2020. In respect of this agreement, your Company recognized expenses of €723,300 (excl. VAT) during the year.

b. Short-term financing contract

Nature, purpose and conditions: The aim of this agreement was to make a cash advance of €20,000,000 to your Company, which was granted on October 11, 2019 by Martin GmbH für Umwelt und Energietechnik, the term of which, initially set at

January 15, 2020, has been successively extended, in accordance with four addenda dated January 10, 2020, February 29, 2020, March 19, 2020 and May 27, 2020, until February 29, 2020, March 20, 2020, April 30, 2020 and June 30, 2020 respectively, bearing interest at the fixed annual rate of 1.8% until April 30, 2020 and at the fixed annual rate of 6.8% after April 30, 2020.

During the 2020 financial year, this advance was converted into a long-term financial debt under the terms of the €45,000,000 bond issue, as mentioned below in sections 1 and 2 of the section entitled "Agreements approved during the financial year last ended". Your company recognized an interest expense of €172,131.15 during the 2020 financial year

4. Amendment to an agreement between the Company and SCI du 35 Rue de Bassano for current account advances

- Person concerned: Mr. Nicolas Dmitrieff (Chairman of your Company's Management Board until July 31, 2020, Chairman of your Company's Board of Directors as from July 31, 2020 and permanent representative of CNIM Groupe and Manager of SCI du 35 rue de Bassano until April 4, 2020).
- Nature, purpose and conditions: Under an agreement dated December 30, 1994, your Company granted SCI du 35 Rue de Bassano ("the SCI") a current account advance of €6,402,858.72 to acquire the building located at 35, Rue de Bassano, 75008 Paris. Under the terms of an addendum dated July 13, 2007, the parties agreed to modify the terms and conditions for the repayment of the current account advance.

Following a new loan taken out by the SCI to finance the renovation of this building, your Company and the SCI decided to convert the current account advance balance to a €4,000,000 medium-term loan paying a fixed rate of 2.21%, repayable over 18 years with a grace period of 29 months, i.e. with effect from September 30, 2016.

The signing of this amendment was authorized by the Supervisory Board on March 20, 2014.

Following the sale of the building located at 35 rue de Bassano, the medium-term loan was repaid in full during the 2020 financial year.

Capitalized interest paid in respect of 2020 amounted to €80,109.70.

5. **Group central services agreement entered into with Soluni SA**

- Persons concerned:
    - Soluni SA (a shareholder in your Company holding a fraction of the voting rights in excess of 10%)
    - Ms. Christiane Dmitrieff (member of your Company's Supervisory Board until July 31, 2020, director of your Company as from July 31, 2020 and Chairman and Chief Executive Officer of Soluni SA),
    - Ms. Sophie Dmitrieff (member of your Company's Supervisory Board until July 31, 2020, director of your Company as from July 31, 2020 and director of Soluni SA),
- Ms. Lucile Dmitrieff (member of your Company's Supervisory Board until July 31, 2020 and director of Soluni SA).
- Nature, purpose and conditions: The purpose of the agreement is to provide Soluni with bookkeeping and cash management services. In consideration of these services, your Company is paid fees that consist of the rebilling of internal and, if applicable, external costs incurred to carry out said services. Internal costs are billed on a pro rata basis according to time spent plus a 5% service and handling fee.

  The signing of this agreement was authorized by the Supervisory Board at its meeting of March 19, 2015.

  This agreement remained in force in 2020 and your Company received fees of €62,685.22.

Agreements approved during the financial year last ended

We have also been informed that, during the financial year last ended, performance continued of the following agreements, already approved by the Ordinary and Extraordinary General Meeting of July 31, 2020 on the basis of the Statutory Auditor's special report of June 25, 2020.

1. **Conciliation Protocol and its appendices providing for the implementation of new confirmed lines of bonds entered into by CNIM Groupe, its subsidiaries, Soluni SA, the new EPS line institutions, the Agent, Martin GmbH für Umwelt – und Energietechnik and the French state.**

- Persons concerned:
- Soluni SA (a shareholder in your Company holding a fraction of the voting rights in excess of 10%),
    - Ms. Christiane Dmitrieff (member of your Company's Supervisory Board until July 31, 2020, director of your Company as from July 31, 2020 and Chairman and Chief Executive Officer of Soluni SA),
    - Ms. Sophie Dmitrieff (member of your Company's Supervisory Board until July 31, 2020, director of your Company as from July 31, 2020 and director of Soluni SA),
    - Ms. Lucile Dmitrieff (member of your Company's Supervisory Board until July 31, 2020 and director of Soluni SA),
    - Martin GmbH für Umwelt- und Energietechnik represented by Mr. Ulrich Martin (member of your Company's Supervisory Board until July 31, 2020),
    - Mr. Ulrich Martin (director of your Company as from July 31, 2020 and Chief Executive Officer of Martin GmbH für Umwelt- und Energietechnik),
    - Mr. Johannes Martin (member of your Company's Supervisory Board until July 31, 2020, director of your Company as from July 31, 2020 and director of Martin GmbH für Umwelt- und Energietechnik until May 19, 2020).

Nature, purpose and conditions: The aim of this protocol is to formalize the parties' respective and reciprocal commitments, for the purposes of the conciliation procedures. The Conciliation Protocol, entered into on April 29, 2020 (the "2020 Conciliation Protocol") under the aegis of the conciliator within the framework of Articles L. 611-4 et seq. and R. 611-22 et seq. of the French Commercial Code, was approved by the Paris Commercial Court on June 23, 2020. Under the terms of this Protocol:

a. your Company has undertaken to:

(I) carry out a bond issue for a total nominal amount of €45,000,000 reserved for Martin GmbH für Umwelt – und Energietechnik only;

(ii) carry out a legal reorganization including, in particular, the spin-off of the EPC business contributed directly by CNIM Groupe SA, to CNIM Environment & Energy EPC.

b. financial institutions undertook to provide your Company with medium-term financing of a maximum principal amount of €35,000,000 in accordance with the terms and conditions set out in the related medium-term loan agreement;

c. the French state undertook to provide your Company with a FDES loan of a maximum principal amount of €8,750,000 in accordance with the terms and conditions set out in the related medium-term loan agreement; and

d. the CNIM Group also undertook to implement a program to obtain backing for its activities from one or more new partners or, failing that, a divestment program in respect of said activities.

The signing of this Protocol was authorized by the Supervisory Board at its meeting of April 21, 2020.

The 2020 Conciliation Protocol had the following effects on the 2020 financial year (note, however, that the €45 million bond issue by Martin GmbH für Umwelt- und Energietechnik is described in section 2 below):

- the legal reorganization, in particular the spin-off of the EPC business contributed directly by your Company to CNIM Environment & Energy EPC, was carried out on November 1, 2020.
- on April 17, 2020, your Company sold its Paris registered office premises for €41.3 million, generating a net book gain of €31.9 million, and repaid the bridging loan associated with this sale. This bridging loan generated a financial expense of €590,893.84 during the 2020 financial year, including €441,935.52 in repayment fees.
- medium-term financing of €35 million was granted by financial institutions and gave rise to the recognition of interest expense for the 2020 financial year of €1,029,444.45.
- the FDES €8.75 million loan gave rise to the recognition of interest expense for the 2020 financial year of €296,041.67.
- the new bank guarantees cover, in particular, the performance bonds that the Group must issue for the purposes of signing the construction contracts as well as the advance payments bonds enabling accelerated payments to be obtained from some customers in the amount of €63 million.
- a significant portion of the bank guarantees benefited from a counter-guarantee from BPI Assurance Export (benefit limited to 50% of the guarantee given); this counter-guarantee, amounting to €134 million, had been put in place during the second half of 2019 to facilitate the granting of new guarantees by the banking pool.
- as part of the program to obtain backing for its activities from one or more new partners, your Group has made the following disposals:

(in € millions)		Date:	Disposal proceeds net of disposal costs	Book gain or loss
Minority stakes in DWS, HWS and WWS	(1)	07/23/2020	1.5	(1.4)
Bertin Technologies' "Bertin Energie Environnement" business	(2)	09/30/2020	*1.3*	*(0.1)*
Minority stake in Technoplus Industrie		11/04/2020	2.0	(3.4)

(1) Your Group entered into an agreement with the investment fund iCON Infrastructure to sell its indirect non-controlling interests in Dudley Waste Services Ltd (DWS), Hanford Waste Services Holding Ltd (HWS) and Wolverhampton Waste Services Ltd (WWS), which own waste-to-energy processing plants in the UK. The conditions precedent to this agreement were lifted on July 23, 2020.

(2) Your Group sold the Bertin Energie Environnement (BEE) business, which employs 70 engineers, to Naldeo Group. BEE provides its clients with expert assistance and advice on technologies, process engineering, industrial risk management, operational safety, industrial performance, renewable and decentralized energy production, software and digital solutions.

- As of December 31, 2020, your Group was in the process of disposing of the following businesses, which is expected to be completed in the first half of 2021:
  - in the Environment and Energy business segment: the O&M and Biomass businesses;
  - in the Innovation & Systems business segment: the Bertin IT business.

2. 2020 bond subscription agreement entered into with Martin GmbH für Umwelt– und Energietechnik ("Subscription Agreement")

- Persons concerned:
  - Martin GmbH für Umwelt- und Energietechnik represented by Mr. Ulrich Martin (member of your Company's Supervisory Board until July 31, 2020),
  - Mr. Ulrich Martin (director of your Company as from July 31, 2020 and Chief Executive Officer of Martin GmbH für Umwelt- und Energietechnik),
  - Mr. Johannes Martin (member of your Company's Supervisory Board until July 31, 2020, director of your Company as from July 31, 2020 and director of Martin GmbH für Umwelt- und Energietechnik until May 19, 2020).

- Nature, purpose and conditions: Under the terms of this agreement, your Company undertook to carry out a bond issue reserved for Martin GmbH für Umwelt – und Energietechnik only. The main financial terms and features of this issue are as follows:
  - Amount of the issue: €45,000,000;
  - Nominal value: €100,000;
  - Securities issued: bonds in accordance with Article L. 223-38 of the French Commercial Code;
  - Number of bonds: 450;
  - Interest rate: 5% per year;
  - Interest period: twelve (12) months;
  - Payment of interest: interest is paid annually on December 31 each year (the first interest payment date is December 31, 2020);
  - Redemption price: 100% of the nominal amount at maturity;
  - Subscription procedures: cash subscription, subscribed for €25,000,000 in cash and for €20,000,000 by offsetting receivables against the cash advance granted on October 11, 2019 (see section 3.b above of the section entitled "Agreements approved during previous financial years, performance of which continued during the financial year last ended");
  - Lock-up period: none; and
  - Maturity date: December 31, 2025.

The signing of this agreement took place on June 11, 2020. It had been authorized in advance by the Supervisory Board at its meeting of June 8, 2020. The balance of the bond loan subscribed by Martin GmbH für Umwelt- und Energietechnik was €45,000,000 at December 31, 2020. Interest recognized as an expense in respect of this loan during 2020 totalled €1,162,500.

As stated in the first section of this report, this bond loan will be restructured under the terms of the 2021 Conciliation Protocol.

Neuilly-sur-Seine and Paris-La Défense, May 21, 2021

The Statutory Auditors

PricewaterhouseCoopers Audit	Deloitte & Associés
Sébastien Lasou	Philippe Battisti

8 ADDITIONAL INFORMATION

8.1 General information

8.1.1 Legal and commercial name of the issuer

Company name: CNIM Groupe.

8.1.2 Place of registration and registration number of the issuer

The Company is registered in the Nanterre Trade and Companies Register under number 662 043 595.

The APE code (principal activity code) of the Company is: 2821Z.

LEI 969500CC2PIGAFVPD702

8.1.3 Date of incorporation and lifetime of the issuer

The lifetime of the Company shall be ninety-nine years from July 20, 1966, the date of its incorporation, except in the event of early dissolution or extension.

The Company was registered on October 4, 1966 in the Paris Trade and Companies Register.

8.1.4 Domicile and legal form of the issuer, legislation governing its activities, country

The Company is a *société anonyme* [French corporation] with a Board of Directors under French law, governed by the French Commercial Code (*Code de commerce*).

Its registered office is located at 64, rue Anatole France, 92300 Levallois-Perret, France. The Company's telephone number is as follows: +33 (0)1 44 31 11 00.

Its website address is www.cnim.com. The information on the website does not form part of the prospectus, unless such information is incorporated by reference in the prospectus.

8.1.5 Supplementary information in relation to Section 21 of the AMF Regulation

Please refer to section 8.2 below.

8.1.6 Auditors' contact details

A. Statutory Auditors

a. PricewaterhouseCoopers Audit

63 rue de Villiers, 92200 Neuilly-sur-Seine (France).

Member of the Versailles Regional Association of Statutory Auditors.

Appointed by the General Meeting of May 29, 2013.

Expiry date of current engagement: at the end of the General Meeting called to rule on the 2024 financial statements.

Signatory: Sébastien Lasou

b. Deloitte & Associés

185 avenue Charles de Gaulle, 92200 Neuilly-sur-Seine cedex (France).

Member of the Versailles Regional Association of Statutory Auditors.

Appointed by the General Meeting of May 29, 2013.

Expiry date of current engagement: at the end of the General Meeting called to rule on the 2024 financial statements.

Signatory: Philippe Battisti

B. Alternate auditors

a. PricewaterhouseCoopers Entreprises

63 rue de Villiers, 92200 Neuilly-sur-Seine (France).

Member of the Versailles Regional Association of Statutory Auditors.

Appointed by the General Meeting of May 29, 2013.

Expiry date of current engagement: at the end of the General Meeting called to rule on the 2024 financial statements.

b. BEAS

7-9 Villa Houssay, 92524 Neuilly-sur-Seine cedex (France).

Member of the Versailles Regional Association of Statutory Auditors.

Appointed by the General Meeting of May 29, 2013.

Expiry date of current engagement: at the end of the General Meeting called to rule on the 2024 financial statements.

8.2 Bylaws

The Company's bylaws are available on its website (www.cnim.com) and have been updated pursuant to the resolutions of the General Meeting of Shareholders of July 31, 2020.

8.2.1 Object of the Company (Article 2 of the bylaws)

The object of the Company, in France and abroad, comprises:

- the performance of studies, the provision of know-how, and the design, manufacturing, construction, assembly, installation, commissioning, operation and maintenance of equipment, systems and industrial facilities in the Energy and Environmental Management, Defence and Industrial fields;
- the provision of all services associated with the above types of facilities, equipment and systems;
- the taking of interests, in whatsoever form, in all companies or enterprises with a similar or related object or which are of such a nature as to promote or develop, directly or indirectly, the activities forming the object of the Company, and the life of the Group through active participation in the execution of Group policy and oversight of its subsidiaries;
- and, more generally, the performance of any civil, industrial, commercial or financial transactions or transactions relating to movable property or real estate that are directly or indirectly linked, wholly or partially, to any of the aforesaid activities, or to any similar or related activities that may prove useful to them or likely to facilitate their performance, expansion or development.

8.2.2 Provisions of the bylaws concerning the supervisory and management bodies of the Company (Articles 13-17 of the bylaws)

Article 13 of the bylaws

1. The Company shall be managed by a Board of Directors composed of at least three and at most eighteen members, except where permitted otherwise by law. The members of the Board of Directors shall be appointed and dismissed by the Ordinary General Meeting by a simple majority.

2. A legal entity may be appointed as a member of the Board of Directors. Upon its appointment or co-optation, it shall be obliged to appoint a permanent representative who shall be subject to the same terms and obligations and who shall bear the same civil and criminal liability as he would if he were a member of the Board of Directors in his own name, without prejudice to the joint and several liability of the legal entity he represents.

In the event of dismissal by the legal entity of its permanent representative, or the death or resignation of the latter, the legal entity is required to notify the Company of this event without delay, together with the identity of the new permanent representative.

3. The members of the Board of Directors may be, but do not have to be, shareholders.

4. The term of office of members of the Board of Directors shall be four (4) years. The duties of Board members end at the close of the Ordinary General Shareholders' Meeting called to approve the financial statements for the previous financial year, held in the year in which the term of office of this Board member expires.

5. Any member of the Board of Directors appointed as a replacement for another shall remain in position throughout the remainder of his predecessor's term of office. Provisional appointments made by the Board of Directors shall be subject to ratification by the next Ordinary General Meeting.

6. Any member is eligible for re-election on expiry of his term of office.

7. At any annual Ordinary General Meeting, no more than half the members of the Board of Directors may have reached the age of seventy (70) during the financial year on the financial statements of which the Meeting has been called to rule. If this proportion of one half needs to be re-established, the oldest member or members of the Board of Directors shall be deemed to have resigned from office, such resignation taking effect at the end of the meeting ruling on the financial statements of the financial year during which the proportion was exceeded, unless the proportion of one half has already been re-established. Notwithstanding the above, if the oldest member or members of the Board of Directors hold(s) or has/have held the position of Chairman of the Company's Board of Directors, they shall remain in position and the next oldest member or members of the Board of Directors shall be deemed to have resigned from office. These provisions shall also apply to the permanent representatives of legal entities that are members of the Board of Directors, without ending their term of office but instead obliging them immediately to appoint a new permanent representative.

8. Where, at the end of a financial year, the proportion of the share capital held – within the context set out under the provisions of Article L. 225-102 of the French Commercial Code – by the staff of the Company and of related companies within the meaning of Article L. 225-180 of the said Code exceeds 3%, a member of the Board of Directors shall be appointed in Ordinary General Meeting as a representative of the employee shareholders, in the manner prescribed by current regulations and by these bylaws.

9. Candidates for the position of employee shareholder member of the Board of Directors shall be nominated in accordance with the following terms:

a) Where the right to vote attaching to the shares held by the employees or by the collective investment schemes of which they are members is exercised by the members of the board of directors of those collective investment schemes, the candidates shall be nominated by the board from among the schemes' members.

b) Where the right to vote attaching to the shares held by the employees (or by the collective investment schemes of which they are members) is exercised by the employees directly, candidates shall be nominated at the consultative meeting provided for under Article L. 225-106 of the French Commercial Code, either by the employee shareholders meeting specifically for that purpose or via a written consultation. Only candidates presented by a group of shareholders representing at least 5% of the shares held by those employees who exercise their right to vote individually shall be admitted.

10. The procedures for nominating candidates, to the extent that they are not defined in the legal and regulatory provisions in force or in these bylaws, shall be decreed by the Chairman of the Board of Directors, in particular as concerns the timetable for the nomination of candidates.

11. A list of all validly nominated candidates shall be drawn up. This must contain at least two candidates and indicate for each candidate the name of his substitute in the event that he should vacate his office for any reason. The list of candidates shall be appended to the notice convening the General Meeting of Shareholders called to nominate the member of the Board of Directors representing employee shareholders.

12. The member of the Board of Directors representing employee shareholders shall be appointed in Ordinary General Meeting in accordance with the terms applying to all appointments of members of the Board of Directors. The Board of Directors shall present the list of candidates to the General Meeting. Whichever of the aforesaid candidates receives the largest number of votes from the shareholders present or represented at the Ordinary General Meeting shall be appointed as the member of the Board of Directors representing employee shareholders.

13. This member shall not be taken into account when determining the minimum or maximum number of members of the Board of Directors as prescribed under Article L. 225-17 of the French Commercial Code.

14. The term of office of the member of the Board of Directors representing employee shareholders shall be six (6) years. Nevertheless, his term of office shall end automatically and the member of the Board of Directors representing employee shareholders shall be deemed to have resigned from office in the event that he ceases to be an employee of the Company (or of a related company or economic interest group as defined under Article L. 225-180 of the French

Commercial Code) or to be a member of a collective investment scheme at least 90% of whose assets are composed of shares in the Company. The Board of Directors may validly meet and deliberate prior to the date of the appointment or replacement of the member of the Board of Directors representing employee shareholders.

15. Should the member of the Board of Directors representing employee shareholders vacate his position for any reason, his substitute shall immediately assume office for the remainder of his predecessor's term of office.

16. The provisions under paragraph 8 of this Article shall not apply where, at the end of a financial year, the percentage of share capital held by the staff of the Company and of related companies as defined under Article L. 225-180 above, in the context set out in the provisions of Article L. 225-102 above, represents less than 3% of the share capital, it being specified that the term of office of any member of the Board of Directors representing employee shareholders who was appointed pursuant to paragraph 8 shall expire on its normal date.

17. The provisions of paragraph 3 of this Article shall not apply to the member of the Board of Directors representing employee shareholders.

Article 14 of the bylaws

1. The Board of Directors appoints a Chairman and a Vice-Chairman from among its members who ate individuals, determines their remuneration and sets the duration of their terms of office, which may not exceed the length of their term of office as director. The Chairman and Vice-Chairman may be reappointed.

2. The Chairman of the Board organizes and directs the work of the Board and reports on it to the General Meeting. He ensures the proper functioning of the Company's bodies and, in particular, that the directors are able to fulfil their duties.

3. Members of the Board of Directors shall be called to meetings of the Board by any means, including orally, by the Chairman or Vice-Chairman.

4. Decisions shall be taken subject to the rules prescribed by law regarding quorum and majority. In the event of a tie, the chairman of the meeting has the casting vote.

5. The Board of Directors shall draw up bylaws for its operation.

6. The bylaws may provide that members of the Board of Directors participating in a Board meeting by a means of video conferencing or telecommunication that allows them to be identified and enables them to participate effectively be deemed present for the calculation of quorum and majority, subject to compliance with the regulations in force.

7. Members of the Board of Directors receive a fixed annual remuneration, the total amount of which is determined by the Ordinary General Meeting. The Board of Directors shall allocate it among its members in such proportions as it shall determine.

8. Members of the Board of Directors, as well as any person called upon to attend the meetings of the Board of Directors, are obliged to maintain confidentiality with regard to the deliberations of the Board of Directors as well as with regard to information of a confidential nature or presented as such by the Chairman of the Board of Directors.

9. The Board of Directors may appoint, in an honorary capacity, an honorary chairman, who shall be an individual who has held a corporate office within the Company. The Honorary Chairman is appointed for a period of four years and may be re-elected, without limitation, for successive four-year periods. The Honorary Chairman may be invited to meetings of the Board of Directors in a purely advisory capacity (without prejudice to the voting right he/she has if he/she is also a director or permanent representative of a legal entity that is a director), subject to his/her adherence to the Board of Directors' bylaws.

Article 15 of the bylaws

The Board of Directors shall exercise the powers granted to it by law. In particular, it shall determine Company business policies and shall ensure their implementation. Subject to the powers expressly attributed to the Shareholders' Meetings and within the limits of the Company's objects, the Board of Directors shall review all issues concerning the operation of the Company's activities and shall act on all matters over which it has authority.

The Board of Directors shall conduct those checks and controls that it deems appropriate and have documents communicated to it that it considers necessary for the accomplishment of its duties.

The following transactions may only be performed with the prior agreement of the Board of Directors:

- The issue of securities, of whatsoever kind, liable to result in a change to the share capital;
- Material transactions liable to affect the strategy of CNIM and of its group or to change its financial structure or its sphere of activity, the Chief Executive Officer or the Deputy Chief Executive Officers being responsible for assessing said transactions' materiality;

- Transactions exceeding an amount set each year by the Board of Directors regarding:
  - Any investment decisions recognized under non-current assets on the balance sheet;
  - Any barter or part-exchange transactions relating to goods, stocks or securities;
  - Involvement in the establishment of any company or subscription to any issue of shares, stocks or bonds, excluding treasury transactions;
  - The granting or receipt of any loans, borrowings, credit or advances.

The Board of Directors may, up to the limit of the amount it sets, authorize the Chief Executive Officer to give sureties, endorsements or guarantees on behalf of the Company.

The Board of Directors may authorize collectively and annually, for an unlimited amount, sureties, endorsements and guarantees to secure commitments made by controlled companies within the meaning of Article L. 233-16 (II) of the French Commercial Code. The Board of Directors may also authorize the Chief Executive Officer to give, collectively and for an unlimited amount, sureties, endorsements and guarantees to secure commitments made by controlled companies within the meaning of the same point II, provided that the latter reports thereon to the Board at least once a year.

The Board of Directors may confer special authorities of any kind for one or more defined purposes upon one or more of its members and it may create one or more specialized sub-committees, the composition and powers of which it shall set out in its bylaws or in separate regulations and which shall perform their activities under its responsibility.

Article 16 of the bylaws

General management is assumed, under his responsibility, either by the Chairman of the Board of Directors, who then bears the title of Chairman and Chief Executive Officer, or by another individual selected from among the members of the Board of Directors or outside them, who bears the title of Chief Executive Officer.

The Board of Directors shall choose between the two executive management options and may then amend its choice. In each case, it shall inform the shareholders and third parties in accordance with the laws and regulations in force.

In the event that the Chairman performs the functions of Chief Executive Officer, the provisions of these bylaws relating to the latter shall apply to him.

When the general management is not assumed by the Chairman of the Board of Directors, the Board of Directors appoints a Chief Executive Officer to whom the age limit for the position of Chairman applies.

The Chief Executive Officer shall represent the Company in its relations with third parties. The Chief Executive Officer has the most extensive powers to act in all circumstances on behalf of the Company. He exercises these powers within the limits of the Company's objects and subject to the powers expressly attributed by law to the shareholders' meetings and the Board of Directors.

In relations with third parties, the Company shall be bound even by acts of the Chief Executive Officer which do not fall within the Company's objects, unless it can prove that the third party knew that the act went beyond said objects or could not have been unaware thereof given the circumstances, mere publication of the bylaws not being sufficient to constitute such proof.

The Board of Directors shall determine the remuneration of the Chief Executive Officer under the conditions provided for by the laws and regulations in force, as well as the term of office of the Chief Executive Officer, which may not exceed, either, the term of the separate function of Chairman of the Board of Directors and Chief Executive Officer, or if applicable, the term of office of Director.

On the proposal of the Chief Executive Officer, the Board of Directors may appoint one or more Deputy Chief Executive Officers, up to the limit of five. The age limit for the position of Chairman also applies to the Deputy Chief Executive Officers. The Board of Directors shall determine their remuneration under the conditions provided for by the laws and regulations in force.

The Deputy Chief Executive Officers have the same powers with regard to third parties as the Chief Executive Officer.

Within the framework of the internal organization of the Company, the powers of the Chief Executive Officer and the Deputy Chief Executive Officers may be limited by the Board of Directors, although this limitation may not be relied on against third parties.

Article 17 of the bylaws

On the recommendation of its Chairman, the Board of Directors may appoint, for a period of four (4) years, one or more non-voting advisers (*censeurs*), who may be individuals or legal entities and may be, but do not have to be, shareholders.

The role of the non-voting advisers is to assist the Board of Directors in the performance of its duties and they take part in the meetings of the Board of Directors on an advisory basis, without the right to vote.

The Board of Directors shall determine their remit and the terms of their remuneration.

The non-voting advisers may not replace the members of the Board of Directors from whom their remit derives.

8.2.3 Rights, privileges and restrictions associated with shares (Articles 8-11 of the bylaws)

Article 8 of the bylaws

Shares are either registered or bearer shares, at the election of the shareholder.

They confer the right to registration under the conditions and in the manner prescribed by law.

The Company or its authorized representative may at any time request any body or intermediary, insofar as permitted by laws and regulations in force, to reveal the identity of the holders of shares conferring the immediate or eventual right to vote at its General Meetings, as well as the number of shares held by each holder and, where applicable, any constraints as may attach to the shares.

Article 9 of the bylaws

Shares may be freely sold and transferred in accordance with the legislative and regulatory provisions.

Article 10 of the bylaws

Each share confers a right in the profits and assets, and in the surplus on liquidation, in proportion to the fraction of the share capital it represents.

It confers the right to participate, to the extent permitted by law and by the bylaws, in General Meetings of Shareholders and to vote on resolutions.

All shareholders have the right to be informed about the progress of the Company and to obtain communication of certain Company documents at the times and to the extent provided for by law and by the bylaws.

Possession of a share automatically entails adherence to the Company’s bylaws and to resolutions passed in General Meeting.

Shareholders are liable for the Company's liabilities up to the nominal value of the shares they possess.

The rights and obligations attaching to shares follow the share as it passes from hand to hand, and sale or assignment shall encompass all dividends not yet payable or due but unpaid, as well as, where applicable, the share in the reserves.

The heirs, creditors or legal beneficiaries of a shareholder may not demand the assets of the Company be placed under seal, request their division or sale by auction, or intervene in any way in the Company's administration. They may, in order to exercise their rights, have reliance on the Company's accounts and on resolutions passed in General Meeting.

Whenever it is necessary to possess a certain number of shares in order to exercise a right, it shall be incumbent on owners not in possession of this number to arrange the grouping of the required shares.

Article 11 of the bylaws

The shares are indivisible from the point of view of the Company.

Nevertheless, where a share is subject to a usufruct, the right to vote attached to that share shall belong to the holder of the usufruct in Ordinary General Meetings and to the bare owner in Extraordinary General Meetings.

Co-owners of undivided shares shall be represented at General Meetings by one of their number or by a sole proxy; in the event of disagreement, the proxy shall be designated by the President of the Commercial Court provisionally ruling on the request of the first co-owner to submit an application.

Where shares have been pledged, the right to vote shall be exercised by the owner.

The right of the shareholder to obtain communication of Company documents belongs equally to each of the co-owners of undivided shares, and both to the bare owner and the holder of the usufruct.

8.2.4 Actions required in order to change shareholders' rights

None.

8.2.5 General Meetings (Article 20 of the bylaws)

Article 20 of the bylaws

1. General Meetings shall be called in accordance with the terms, forms and notice periods prescribed by law.

2. Meetings shall take place at the registered office or at any other location in the same *département* specified in the invitation.

3. All shareholders have the right to attend General Meetings and to participate in the deliberations, under the terms prescribed by law.

If the Board of Directors so resolves at the time of calling a General Meeting, shareholders may participate in that meeting by video conferencing or by any other means of telecommunication (including the internet) enabling them to be identified, insofar as permitted by the applicable regulations. Where applicable, this option shall be mentioned in the notice of the meeting and the invitation.

Shareholders participating in the meeting by video conferencing or by electronic means of communication that enable them to be identified shall be deemed present for the purpose of calculating the quorum and majority.

Any shareholder who fulfils the conditions required to participate in a meeting may have himself represented by a proxy insofar as permitted by law.

Shareholders may also vote by post or, if the Board of Directors so decides, remotely by electronic means, insofar as permitted and in the manner determined by the law and regulations, by sending in their voting and proxy forms for any General Meeting either in paper form or, if the Board of Directors has so decided, by electronic means of communication, it being specified that this option shall be, where applicable, mentioned in the notice of the meeting and the invitation.

4. The voting right attaching to the shares is proportional to the share capital the shares represent. Nevertheless, a double voting right is conferred on all fully paid-up shares which are shown to have been registered in the name of the same shareholder for at least two years, insofar as permitted by law.

5. Meetings shall be chaired by the Chairman of the Board of Directors or, in his absence, by a member of the Board of Directors specially nominated for this purpose by the Board.

6. The duties of scrutineers shall be fulfilled by the two members of the Meeting having the largest number of votes and accepting that duty.

7. The meeting committee shall designate the meeting secretary, who does not need to be a shareholder.

8. An attendance list shall be maintained as prescribed by law.

9. Copies or extracts of the minutes of the Meetings shall be certified, in accordance with the law.

8.2.6 Provisions liable to affect control

None.

8.2.7 Crossing thresholds (Article 12 of the bylaws)

Article 12 of the bylaws

Any individual or legal entity acting alone or in concert with others who comes to possess a number of shares representing more than 2.5% of the share capital or voting rights of the Company or more than any multiple from 1 to 13 of this percentage (the obligation ceases to apply beyond the threshold of 32.5% of the share capital or voting rights) shall be bound to declare it to the Company by registered letter with advice of receipt sent to the registered office and informing it of the total number of shares and voting rights he possesses, within fifteen stock market trading days of the registration in his account of the shares enabling him to cross the threshold in question.

This declaration must be made in accordance with the above terms on every occasion that the aforementioned thresholds are crossed, whether upwards or downwards.

Non-compliance with this obligation is punishable by the withdrawal of voting rights from those shares exceeding the percentage that was not duly declared for all shareholders' meetings until the expiry of a period of two years from the date on which the due notification was received, it being specified that this sanction shall only apply in the event of a request, recorded in the minutes of the General Meeting, by one or more shareholders holding at least 2.5% of the Company's share capital or voting rights.

The reporting obligation set out above is in addition to the disclosure obligations relating to the crossing of thresholds provided for by the provisions of the French Commercial Code.

8.2.8 Changes to the share capital (Article 7 of the bylaws)

Article 7 of the bylaws

The share capital may be increased, reduced or redeemed insofar as permitted by the law and regulations.

8.3 Documents on display

Information published or made public over the last twelve months.

a. Regulatory information

All regulatory information is published by CNIM Group via a distributor as part of its financial communication and is available on its website, www.cnim.com.

This includes all mandatory financial documents filed with the AMF in accordance with Article L. 451-1-2 (revised) of the French Monetary and Financial Code, as resulting from the transposition into national law of the European Transparency Directive (Directive 2004/109/EC):

- Monthly information on the total number of voting rights and shares comprising the Company's share capital;
- Information on operations affecting the Company's securities;
- Information on Auditors' fees;
- Monthly declarations of transactions in own shares;

b. Financial press releases

- Quarterly revenues;
- Half-yearly financial statements;
- Annual financial statements;
- Backlog for the financial year.

c. Financial publications and information

- Universal Registration Document;
- Annual financial report;
- Half-yearly financial report;
- Quarterly information;
- Financial calendar.

d. Other documents

- Description of share repurchase programs;
- Means used to distribute or make available documents issued in advance of General Meetings.

The Company's bylaws are available on its website (www.cnim.com) and have been updated pursuant to the resolutions of the General Meeting of Shareholders of July 31, 2020.

During the period of validity of this document, the following documents (or copies thereof) may be consulted at the Company's registered office, 64 rue Anatole France, 92300 Levallois-Perret:

- the deed of incorporation and the bylaws of the Company;
- all reports, letters and other documents, historical financial information, valuations and opinions issued by an expert at the request of the Company of which any part is included in or referred to herein;
- historical financial information of the Company and its subsidiaries for each of the two financial years preceding the publication of this document.

8.4 Responsible person (AFR)

8.4.1 Person responsible for the Universal Registration Document

Mr. Louis-Roch Burgard, Chief Executive Officer

8.4.2 Declaration by the person responsible for the Universal Registration Document

I declare that the information contained in this Universal Registration Document is true and accurate to the best of my knowledge and contains no omissions that would alter its meaning.

I declare that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and provide a true and fair view of the assets and liabilities, the financial position and the income/(loss) of the Company and of all of the entities included within the consolidation, and that the management report in Section 2 provides an accurate reflection of the changes in the business, income/(loss) and financial position of the Company and of all of the entities included within the consolidation, and describes the principal risks and uncertainties to which they are exposed.

Paris, May 25, 2021

Louis-Roch Burgard
Chief Executive Officer

9 HISTORY

The CNIM Group has been forged over the course of a long history that began with the foundation of Forges et Chantiers de la Méditerranée (FCM) in 1856. This history is testimony to the Group's ability to evolve in order to continue to achieve its ambitions without neglecting its long-term commitments.

The various technological, industrial and human milestones in the Group's history are shown below:

1856

Founding of the shipyard at La-Seyne-sur-Mer in the Var. Throughout its existence, the shipyard was to remain at the forefront of shipbuilding techniques, building not only warships and liners for France, Japan and many other countries, but also the first submarine. La-Seyne-sur-Mer is still the Group's main industrial site.

1917

The first tanks rolled out of the La-Seyne-sur-Mer plant and the Renault works at the same time.

1961/1965

CNIM helped to develop the first system for the missile launch tube program for France's nuclear-powered ballistic missile submarines.

The Group remains actively involved in this field, and plays a leading role in the modernization of these missile launch systems.

1966

As orders for new ships declined, FCM was taken over by the Herlicq industrial equipment group, and changed its name to Constructions Navales et Industrielles de la Méditerranée, or CNIM for short. Activity levels were restored with the construction of specialized vessels such as methane carriers and offshore drilling platforms. The company continued its diversification into other industrial sectors, which had been ongoing for several years.

1982/1986

The French government merged the shipyards at Dunkirk, La Ciotat and La-Seyne-sur-Mer to form Normed. CNIM, henceforth known as Constructions Industrielles de la Méditerranée, opted to grow its business in energy solutions (waste-to-energy plants and boilers) and mechanical engineering (submarine missile launch systems for the Strategic Ocean Force, gap crossing systems for the Engineering Corps, components for the nuclear industry, and escalators for subways, rail stations and airports).

1987

On June 30, CNIM was listed on the Second Market of the Paris Stock Exchange.

It was at that time that CNIM began development work on the new M51 missile launch system and invested a large portion of its equity in equipping itself with the necessary resources to work with the new materials used.

1989/1990

CNIM acquired two companies specializing in industrial boilers: Babcock Entreprise (1989) and Wanson (1990), merging them to form Babcock Wanson.

2001/2002/2003

CNIM purchased LAB SA, a European leader in flue-gas treatment, in 2001 and took over Alstom's waste-to-energy business in 2002.

In 2000, France took sole charge of the European assault bridge project, based on a vehicle-mounted bridge developed by CNIM's Eurobridge subsidiary. In 2003, CNIM built three bridges, each with a twelve-meter span, at its own expense to demonstrate the viability and reliability of the project.

In mid-2002, the consortium formed by Thales and CNIM won the general contract to supply and fit equipment for the Megajoule Laser chamber.

2005

CNIM laid the foundation stone of a new 20,000 m^2 factory in Gaoming, China, near Foshan in the province of Canton.

2008/2009

CNIM acquired Bertin Technologies together with its subsidiaries, as well as healthcare firms Biotec Centre and IDPS. The Group also purchased a shareholding in Technoplus Industries, a subsidiary of Areva TA.

The Group refocused on its core activities and closed the Transport Division, which specialized in escalators and moving walkways.

2010/2011

Ellipse, Spi-Bio, Biotec Centre and IDPS, the four Bertin Technologies subsidiaries specializing in pharmaceutical R&D, merged to form Bertin Pharma. Bertin Technologies purchased Vecsys, a company specializing in automated speech processing with expertise in voice-stream processing, on-board software and industrial IT.

CNIM inaugurated its pilot concentrated solar power plant at the La-Seyne-sur-Mer site.

2012

CNIM was selected as Intermediate-Size Enterprise of the Year for 2012. This award, conferred by l'Usine Nouvelle magazine at the Assises de l'Industrie conference, was given in honor of our "tenacity, innovation, youthfulness of spirit and successful model of diversification".

In 2012, CNIM completed its 160th waste-to-energy plant. The 160 installations boast a total of 280 thermal waste processing lines.

2013

The Group's Stuttgart-based subsidiary LAB GmbH agreed to purchase a portfolio of ongoing projects, technologies and assets from the Swiss company Geodur Recycling AG. The move enabled LAB to expand its technological portfolio and offer new solutions and services in relation to the stabilization and solidification of fly ash and particulates, bottom ash treatment and the recovery of non-ferrous metals.

2014

The Dmitrieff family's holding company, Soluni S.A., assumed control of CNIM in July 2014 by purchasing the entire shareholdings of CNN and Martin GmbH. This transaction caused Soluni's shareholding to rise from 27.40% at December 31, 2013 to 56.43% at December 31, 2014. CNIM thus now has a strong and stable shareholder base, which will further bolster the implementation of the Group's long-term development strategy. This consolidation is proof of the Dmitrieff family's belief in CNIM.

Bertin Pharma acquired the Aquitaine site of Johnson & Johnson Health & Beauty France (JJHBF), which specializes in the formulation and production of clinical batches of over-the-counter drugs. A partnership agreement was drawn up covering this acquisition, providing for Bertin Pharma to conduct R&D work on behalf of JJHBF. Bertin Pharma thus gained access to a fast-growing market, namely that of over-the-counter drugs.

CNIM acquired the cooling units and absorption heat pumps business of the German company INVEN. This acquisition facilitated the development of a new business centered on the design, production and supply of innovative turnkey systems for recovering heat and energy. INVEN's technology processes low-temperature discharges to extract heat from them and produce cold or heat, thereby reducing its users' reliance on fossils fuels.

Negotiations were held concerning the acquisition of Saphymo by Bertin Technologies, which had become the only French industrial company to offer a complete range encompassing not only equipment for detecting and identifying nuclear, radiological, biological and chemical (NRBC) threats for the defense and security industries, but also equipment for monitoring levels of ionizing radiation for the nuclear industry. This transaction was finalized on January 1, 2015.

2015

The SPI ("Sociétés de projets industriels" - Industrial Joint Ventures) fund, financed by the Investments for the Future program and run by Bpifrance, announced its first investment, alongside CNIM, in the company SUNCNIM in June 2015. SUNCNIM, which is majority-owned by CNIM, develops and builds turnkey thermodynamic solar power plants for export.

Bertin Technologies acquired GO Albert France and its AMI Software brand in May 2015. The company was incorporated into the Bertin IT division. With the digital monitoring and cyber intelligence specialists of both entities joining forces, a major player in the field of open-source data processing (in particular Internet monitoring) was created, with its international ambitions supported by the whole CNIM Group.

2016

Seeking to refocus on its core business as a supplier of industrial equipment to major public and private-sector customers in France and worldwide, in July 2016, CNIM sold its Babcock Wanson subsidiaries (excluding CNIM Babcock Maroc) to the FCDE (Fonds de Consolidation et de Développement des Entreprises). The transaction enabled Babcock Wanson to continue its international expansion with the support of a new owner that respects its industrial heritage.

2017

In 2017, the CNIM and Martin Groups announced the creation of a waste and biomass processing and energy recovery company to serve the Southern and Southeast Asia market. The new entity, based in Chennai in the Indian state of Tamil Nadu, will be operated jointly by CNIM and Martin. It will provide the full spectrum of CNIM and Martin expertise covering the design, construction and turnkey supply of waste-to-energy and biomass-to-energy plants, combustion and flue gas treatment technologies, renovation services and energy and environmental performance upgrades.

Bertin Pharma sold its pharmaceutical and biotech services businesses. The activities relating to the supply of bioanalysis tools and biological reagents for Defense and Life Sciences were retained and integrated into Bertin Technologies.

Bertin Technologies acquired the Swedish company Exensor, the world leader in the supply of sensors and protection networks for sensitive zones and infrastructure. This transaction is an aspect of accelerating Bertin Technologies' development strategy on the global instrumentation and surveillance market for defense and security applications.

Bertin Technologies acquired the French company Winlight, which specializes in the design and manufacture of components and systems in the high-performance optics sector. This transaction strengthens CNIM and Bertin Technologies' offering in supplying high-performance optical and mechanical systems for applications such as research reactors, synchrotrons, telescopes and large defense and space programs.

2018

In 2018, Bertin Technologies, a CNIM subsidiary, disposed of two entities:

- Bertin Ergonomie Facteur Humain (digital transformation of businesses and organizations, ergonomics for complex systems involving management of human factors-related risks);
- Bertin Modélisation et Informatique Scientifique (modelling and simulation for nuclear energy, development and maintenance of scientific software for the aviation and space industries).

CNIM also disposed of its indirect interest in SELCHP. SELCHP owns a domestic waste-to-energy plant located in London (United Kingdom). The company operates a domestic waste-to-energy plant built by CNIM in 1994.

2019

In 2019, CNIM acquired:

- COMETAL France: COMETAL, established in 2000, specializes in the production and maintenance of combustion grates for biomass-fired cogeneration plants and waste-to-energy plants. The company also sells replacement parts. COMETAL's activities offer an excellent fit with those of CNIM Environment & Energy. This acquisition expands and enhances CNIM's offering in the area of spare parts and retrofit services for its core markets.
- an 85% equity interest in Airstar Aerospace previously held by the Airstar group. Thales Alenia Space remains a minority shareholder, alongside CNIM, and a key industrial partner, in particular for the Stratobus™ stratospheric airship program. Airstar Aerospace was renamed CNIM Air Space.

Legal reorganization of the Group's activities

From an operational perspective, the Group's activity was until recently structured as two business segments, the Environment and Energy (E&E) segment and the Innovations & Systems (I&S) segment, each sub-divided into the following Divisions:

- **Environment & Energy (E&E) segment**

a. E&E EPC Division;

b. E&E Flue Gas Treatment Division (LAB);

c. E&E Services Division;

d. E&E O&M (Operation) Division

- **Innovation & Systems (I&S) segment**

e. Industrial Systems Division;

f. Bertin Division

The Parent Company of the CNIM Group generates almost half of the Group's revenue through activities a, c, d and e above. The remainder of the Group's revenue is accounted for by Group subsidiaries with no legal framework that clearly distinguishes between the various businesses.

This situation led to:

- a confusing legal structure, resulting from the Group's previous transactions;
- a lack of consistency between the Group's legal structure and its operating activities;
- little consistency in the governance methods implemented in the various subsidiaries.

Consequently, in 2018, the Group launched a wide-ranging review, with the aim of (i) simplifying the legal structure of its businesses and (ii) improving the consistency of its governance and management.

The main objectives of this review were to:

- spin off by means of partial contributions of capital and then reclassify, on the one hand, all of the Parent Company's activities and resources and, on the other hand, all of the subsidiaries, within a particular division, in and under a dedicated holding company placed at the head of the division in question;
- group together, by means of contributions of shares, the (aforementioned) Division holding companies within a particular segment under an Intermediate Holding company placed at the head of the sector in question and owned by the Parent Company.
- strengthen corporate governance across all Group entities.

All of the proposed measures were approved at the Shareholders' Meeting on June 26, 2019, and by the sole representative of each company receiving a contribution. These capital contribution transactions were subject to a number of conditions precedent.

Upon clearing the conditions precedent, the Group finalized the capital contributions at midnight on December 31, 2019, except for the transaction involving the E&E EPC division, which was not approved in time by an adequate number of co-contractors. Nevertheless, due diligence activities aimed at obtaining their approval continued, with a view to completing the transaction in FY 2020.

In summary, the Group spun off the various subsidiaries by means of partial contributions of tangible and intangible assets, with the exception of the E&E EPC division, postponed until 2020. The transactions consisting in the Parent Company contributing the shares in the division-level holding companies to two intermediate holding companies placed at the head of the two business segments were also deferred until 2020.

The Group also reclassified certain participating interests held indirectly by the Parent Company, via CNIM Netherlands BV, lodged in an intermediate sub-holding company (CNIM Environnement & Energie Participations) by means of the contribution by the Parent Company of the shares in CNIM Netherlands BV, at midnight on December 31, 2019.

The resulting organizational structure is shown in section 2.6. 'Principal companies in the CNIM Group at December 31, 2019.

The Group implemented enhanced governance procedures across all entities, resulting in significant involvement by the Parent Company's Management Board and its Chairman in the management of the subsidiaries, thereby ensuring consistency throughout the Group.

Lastly, the Parent Company was renamed from CNIM SA to 'CNIM Groupe', further to a resolution approved at its Shareholders' Meeting on June 26, 2019.

2020

Financial communication

Due to the significant impact of the losses suffered during the 2019 financial year and the resulting cash consumption, the Group began a financial restructuring process in 2019, working closely with all partners, including its banking pool and credit insurers (which were involved in the issue of bank guarantees), as well as Martin GmBH (CNIM's longstanding industrial partner).

Through this process, as part of which a conciliation procedure was initiated on January 2, 2020, the parties entered into a preliminary agreement in March 2020, before going on to finalize a comprehensive conciliation protocol in April 2020. This protocol was approved by a judgement of the Paris Commercial Court dated June 23, 2020.

The Group's financial condition is described in detail in section 2.11.

All press releases and financial disclosures are available on the Group's website:

(https://cnim.com/finance/informations-financieres).

Finalization of the legal reorganization of the Group's activities

From an operational perspective, the Group's activity was until recently structured as two business segments, the Environment and Energy (E&E) segment and the Innovation & Systems (I&S) segment, each sub-divided into the following Divisions:

- **Environment & Energy (E&E) segment**

a. E&E EPC Division;

b. E&E Flue Gas Treatment Division (LAB);

c. E&E Services Division;

d. E&E O&M (Operation) Division

- **Innovation & Systems (I&S) segment**

e. Industrial Systems Division;

f. Bertin Division

The Parent Company of the CNIM Group generated almost half of the Group's revenue through activities a, c, d and e above. The remainder of the Group's revenue was accounted for by Group subsidiaries with no legal framework clearly separating the various businesses.

This led to:

- a confusing legal structure, resulting from the Group's previous transactions;
- a lack of consistency between the Group's legal structure and its operating activities;
- little consistency in the governance methods implemented in the various subsidiaries.

Consequently, in 2019, the Group launched a programme to reorganize its activities, with the aim of (i) simplifying the legal structure of its businesses and (ii) improving the consistency of its governance and management.

The main objectives of this programme, which continued in 2020, were to:

- spin off by means of partial contributions of capital and then reclassify, on the one hand, all of CNIM SA's activities and resources and, on the other hand, all of the subsidiaries, within a particular division, in and under a dedicated holding company placed at the head of the division in question;
- strengthen corporate governance across all Group entities.

The Group finalized the capital contributions to each Division at midnight on December 31, 2019, except for the transaction involving the E&E EPC division, which was not approved in time by an adequate number of our partners. Nevertheless, due diligence for the purpose of obtaining their approval continued into 2020, and the capital contributions to the E&E EPC Division were completed with effect from November 1, 2020.

Also in 2020, the Group continued work reclassifying certain participating interests held indirectly by the Parent Company to the relevant Divisions (specifically, shares in MES Environmental Ltd and CNIM Singapore Private Ltd were respectively reclassified in the E&E O&M and Industrial Systems Divisions).

The following directly or indirectly held subsidiaries that had ceased trading were also voluntarily wound up: EKOMZ, CNIM US Corp, CNIM Babcock Sulamericana, LAB Geodur UK, LAB Red Wing LLC, and LAB Pope/Douglas LLC.

CNIM Groupe approved a change in the legal form of its LAB subsidiary to a simplified joint-stock company (*Société par Actions Simplifiée - SAS*).

The resulting organizational structure is shown in section 2.6.1 'Principal companies in the CNIM Group at December 31, 2020'.

The Group continued to strengthen governance processes across all entities in 2020, resulting in significant involvement by CNIM Groupe's Management bodies in the management of subsidiaries, thereby ensuring consistency throughout the Group.

Disposals

In 2020, CNIM disposed of the following indirectly held/operated equity interests and businesses:

- Disposal of the indirectly held equity interest in CNIM Development and its subsidiaries, Handford Waste Services Holdings, Handford Waste Services, Dudley Waste Services and Wolverhampton Waste Services, with effect from July 27, 2020.
- Disposal of the minority interest held by the subsidiary CNIM Systèmes Industriels in Technoplus Industries, with effect from November 4, 2020.
- Disposal of the branch of the business operated under the 'Bertin Energie Environnement' name by the subsidiary Bertin Technologies, with effect from September 30, 2020.

Ongoing financial restructuring of the Group

On April 29, 2020, the Group finalized a memorandum of understanding with all of its banking and credit insurance partners (which play a role in underwriting bank guarantees) regarding a financial restructuring operation (described in section 2.11) to sustain the Group's activities over the medium term.

Change in governance

Pursuing the transformation process initiated by the Group, the Supervisory Board, at its meeting on May 25, 2020, appointed Louis-Roch Burgard to the Management Board in the role of Chief Executive Officer.

On July 31, 2020, the CNIM Groupe General Meeting of Shareholders adopted a resolution to change the governance model from a dual structure comprising a Management Board and Supervisory Board to a unified structure featuring a Board of Directors. This change reflects CNIM Groupe's desire to simplify and clarify its decision-making process and adapt its governance structure to the current constrained circumstances.

Consequently, the terms of office of the members of the Management Board came to an end. CNIM Groupe is now administered and managed by a Board of Directors and a Chief Executive Officer, to whom the various Division General Managers report directly.

Nicolas Dmitrieff was appointed a director at that Meeting and then, at the Board of Directors' meeting which followed it, he was appointed Chairman of the Board of Directors.

When it met on May 26, 2020, the Supervisory Board appointed Louis-Roch Burgard as a member of the Management Board and Chief Executive Officer of CNIM Groupe. Following the change in governance adopted on July 31, 2020, the General Meeting of Shareholders appointed Mr. Burgard as a Director, and the ensuing Board Meeting confirmed his appointment to the role of Chief Executive Officer.

Refer to Chapter 5 'Corporate Governance' of this document.

Sale of the head office building located at 35 Rue de Bassano (Paris 8th arrondissement)

In 2020, SCI Bassano exchanged contracts on the sale of the property located at no. 35, Rue de Bassano, 75008 Paris. A concessionary lease agreed by the new owner and CNIM entered into effect on April 17, 2020.

Arbitration in Bahrain

Under the terms of a binding arbitration decision issued by the International Chamber of Commerce on January 7, 2020, CNIM's claim against the Kingdom of Bahrain was dismissed and the company was ordered to pay the defendant the sum of USD 5,443,238.97 to cover its costs incurred in the course of the arbitration process.

In response to an order to register for enforcement granted to the Kingdom of Bahrain with regard to the arbitration decision of January 7, 2020, CNIM lodged an appeal against the order with the Paris Court of Appeal. The Paris Court of Appeal is expected to issue its decision in late 2021 or early 2022.

Concurrently, CNIM began proceedings in relation to the enforcement order, before the enforcement judge with the Judicial Court of Paris, and before the pre-trial judge with the Court of Appeal of Paris.

10 CROSS-REFERENCE TABLES

10.1 Universal Registration Document

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1.4	Information sourced from a third party	N/A	N/A
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10.2 Annual financial report

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7. Report of the Supervisory Board on corporate governance	5.1	132-176

Incorporation by reference

In accordance with Article 19 of Regulation (EU) No. 2017/1129, the following information is incorporated by reference into this document:

- the consolidated financial statements for the year ended 31 December 2019 2018 and the Statutory Auditors' report in relation thereto as included respectively in paragraphs 6.1 and 7.3 of the Document d'Enregistrement Universel 2019 filed on 29 June 2020 with the Autorité des Marchés Financiers under number D.20-0628 ;
- the annual financial statements for the year ended 31 December 2019 and the Statutory Auditors' report in relation thereto as included respectively in paragraphs 6.2 and 7.4 of the Document d'Enregistrement Universel 2019 filed on 29 June 2020 with the Autorité des Marchés Financiers under number D.20-0628 ;
- the commentary on activities during the year ended 31 December 2019 as included in chapter 2 of the Document d'Enregistrement Universel 2019 filed on 29 June 2020 with the Autorité des Marchés Financiers under number D.20-0628 ;
- the consolidated financial statements for the year ended 31 December 2018 and the Statutory Auditors' report in relation thereto as included respectively in paragraphs 5.1 and 6.3 of the Document de référence 2018 filed on 28 March 2019 with the Autorité des Marchés Financiers under number D.19-0221 ;
- the annual financial statements for the year ended 31 December 2018 and the Statutory Auditors' report in relation thereto as included respectively in paragraphs 5.2 and 6.4 of the Document de référence 2018 filed on 28 March 2019 with the Autorité des Marchés Financiers under number D.19-0221 ;
- the commentary on activities during the year ended 31 December 2018 as included in chapter 1 of the Document de référence 2018 filed on 28 March 2019 with the Autorité des Marchés Financiers under number D.19-0221.

CNIM

Constructions Industrielles de la Méditerranée

CNIM GROUPE (CNIM)

Société anonyme having an Executive Committee and a Board of Directors with share capital of €6,056,220

Registered office: 64, rue Anatole France, 92300 Levallois-Perret, France

Nanterre Trade and Companies Register Number 662 043 595

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