

**DESIGNING  
A SUSTAINABLE ENERGY  
FUTURE TOGETHER.**



Activity and Sustainable Development Report

**Technip**

*take it further.*

## **Our Vision** to take Technip further

### **Meet the world energy challenge through our projects**

If energy were easy, there would be no need for a company like Technip. Today and tomorrow, we work with our clients, wherever they are, to bring **energy** to the world. We will continue to contribute to their **success**, through our constant **customer focus** and our **integrated** and sustainable project approach. As the industry reference, we will demonstrate the **know-how**, the commitment and the **inspiration** to help all of our partners push further to achieve their goals. This is our vision and above all, it is our passion.

## **Our Mission** to take Technip further

Our mission is to **deliver** safe and successful energy **projects** across the world for the **benefit** of our stakeholders. We maintain that focus whether faced with the biggest challenges or the smallest details.

## **Our Business**

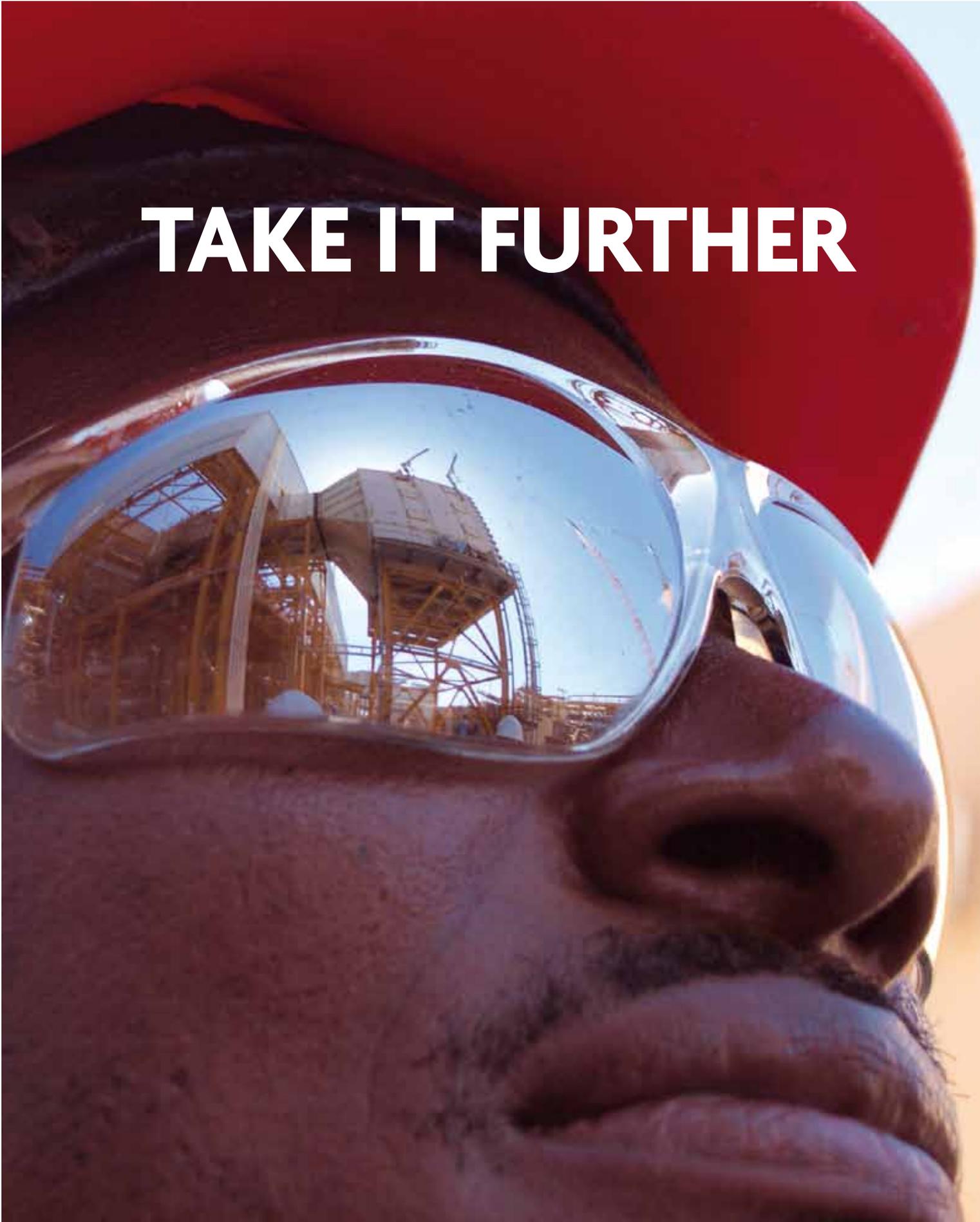
**Energy is at the core of Technip.** With engineering, technologies and project management, on land and at sea, **we safely deliver the best solutions for our clients.** From the deepest offshore developments to the largest and most complex onshore infrastructures in the world, our people are constantly expanding the limits of the possible. What we accomplish, together with our partners, is nothing short of amazing. Because taking it further is what we do.

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**TAKE IT FURTHER**



# A UNIQUE FLEET

To undertake its offshore operations, Technip operates its own specialized fleet of pipelay and subsea construction vessels, a fleet unique in its industry. This fleet currently includes 17 vessels, with a further three under construction.

Deep Blue ●



Deep Pioneer ●



Skandi Arctic ●



Skandi Vitória ●



Apache II ●



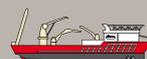
Sunrise 2000 ●



Venturer ●



Deep Constructor ●



Seamec Princess ●



Orelia ●



Wellservicer ●



Skandi Achiever<sup>(1)</sup> ●



Normand Pioneer<sup>(1)</sup> ●



Seamec 2 ●



Seamec 3 ●



Alliance ●



Seamec 1 ●



Skandi Niterói<sup>(2)</sup> ●



Deep Energy<sup>(2)</sup> ●



Newbuild vessel for the Asian market<sup>(2)</sup> ●



- Pipelay vessels for rigid and flexible pipes
- Subsea construction vessels with pipelay capability for flexible pipes
- Diving support vessels

(1) Long-term charter — (2) Under construction

# A MULTI-LOCAL GROUP

Technip's 23,000 people work in 48 countries. In order to provide a presence close to its clients and their operations, the Group has its own operating centers on every continent, as well as industrial facilities (pipe manufacturing plants and construction yard) in Angola, Brazil, the USA, Finland, France, the UK and Malaysia.

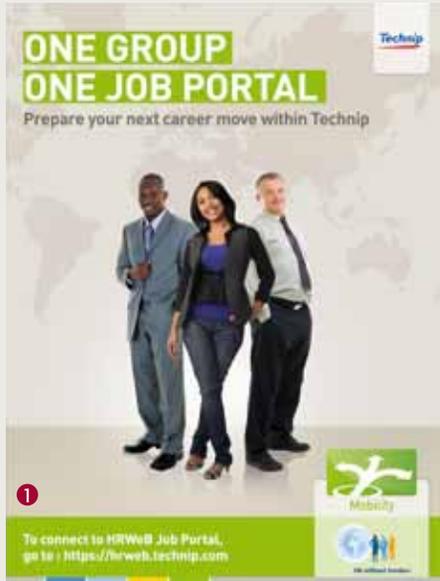
Technip's day-to-day operations are managed by the Group's seven Regions: Asia Pacific, Brazil, Middle East, North America, North Sea-Canada, Region A (Western Europe, Africa, India and Pakistan) and Region B (Italy, Greece, Eastern Europe/Russia/CIS and South America).



-  Operating centers
-  Manufacturing plants  
(flexible pipelines and/or umbilicals)
-  Construction yard
-  Services bases
-  Spoolbases

## International human resources management

1 90% of Technip employees execute their annual performance appraisal via an internationally-shared system: HRWeB. A unique job portal allows access to all Group mobility opportunities. 2 New training programs proposed by Technip University, which celebrated its second anniversary in 2010.



1 Technip signs a contract for a mega-project in Qatar: the PMP gas complex. 2 Thierry Pilenko welcomes the Scottish First Minister to discuss renewable energy in Scotland. The Group announces its decision to designate its Aberdeen center as the head office for European offshore wind projects.



# FEB

## A heightened commitment to renewable energies



MAR

① Installed in nearly 2,500 meters of water in the Gulf of Mexico, Shell's Perdido Spar platform enters into production. ② Signature of an engineering contract for Shell's Prelude FLNG floating liquefied natural gas unit in Australia.

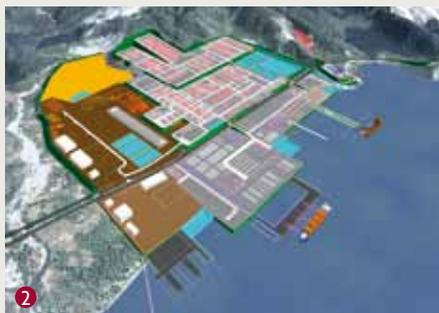
**A prime position in the emerging FLNG market**



**Completion of mega-projects in the Middle East**

APR

① The Management Convention brought together all the Group's senior executives in Paris. ② Technip is also involved in the mining and metals market and signs a design studies contract for Eramet's Weda Bay Nickel project in Indonesia. ③ Signature of a contract with Petrobras to supply flexible pipes for the Tupi presalt field in Brazil. ④ Start-up of the second train of the YLNG project in Yemen, the RLOC ethylene complex in Qatar and the Khursaniyah gas complex in Saudi Arabia.



## 2010 in Pictures



1 Technip attended 29 trade fairs in 2010, including OTC in Houston, Texas in May. 2 Pulse Communication Week promotes our HSE climate enhancement program across the Group. 3 Flexi France, Technip's flexible pipe plant in Le Trait, France is voted Plant of the Year by Usine Nouvelle magazine. 4 New look and feel for our www.technip.com website.



# MAY

**A higher profile**



1 Technip's head office and corporate teams relocate to new premises at Paris, Porte Maillot. 2 Tenth anniversary of the Prix Jacques Franquelin innovation award. 3 Signature of the contract to supply pipes for the Burullus West Delta Deep Marine project offshore Egypt. 4 Technip celebrates World Environment Day in all its centers and promotes green office initiatives.



# JUNE

**Relocation of the head office to new premises puts the finishing touch to our regional organization**

# JULY

## Two new vessels joined our fleet in 2010



- ① Naming ceremony for the Apache II, our new pipelay vessel. A second pipelay vessel, the Skandi Vitória, also joined our fleet in October.
- ② Technip announces its investment in the Skandi Niterói, a new vessel for the Brazilian market.

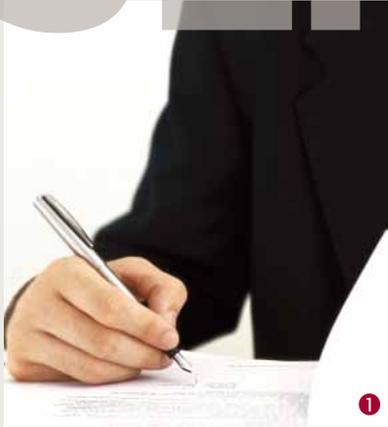
## Technip further expands in the Asia Pacific Region

① Our clients recognize and appreciate our safety performance achievements, like here on the Cascade & Chinook project in the Gulf of Mexico (2 million man-hours worked with no lost-time injury accidents). ② Technip announces its collaboration with two Malaysian companies, MMHE and MHB, in the Offshore market.



# SEPT

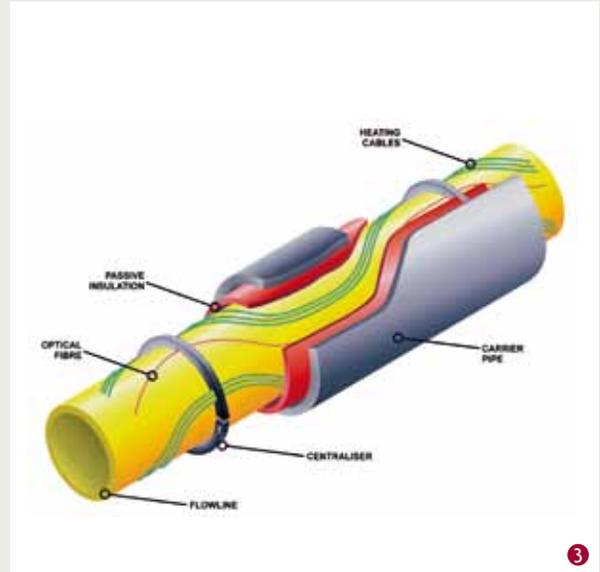
## Subsea projects with high technology content



1



2



3

- 1 Signature of two contracts with Valero for hydrogen units in the USA. 2 Technip wins the Global Pipeline Award for its subsea cryogenic pipe-in-pipe transfer system. 3 Signature of a contract for Total's Islay project in the North Sea, which will see the first application of Technip's reelable, electrically trace-heated pipe-in-pipe technology.



1



2

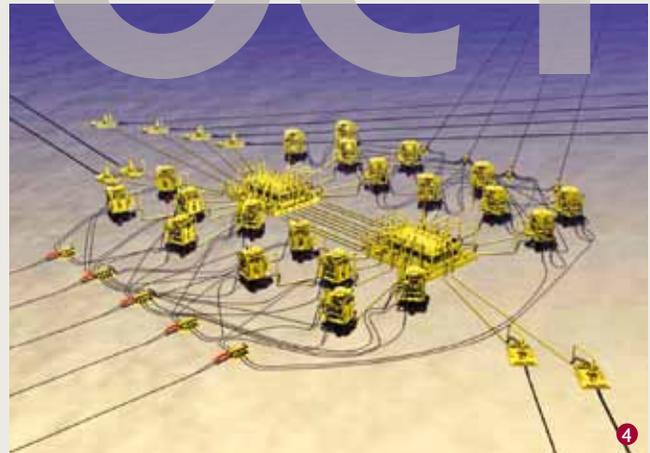


3

- 1 Signature of a contract with KJO in the Middle East for the supply of two fixed platforms. 2 New contract to supply 'intelligent pipes' for the Petrobras Para Terra project in Brazil. 3 Assembly of the topsides and structure for the Petrobras P-56 platform in Brazil. 4 Technip is appointed by five majors to design a containment system for deep water oil leaks.

## Putting technological know-how to work for HSE

# OCT



4



# NOV

## Expanded flexible pipe production capability closer to dynamic markets

- 1 Official opening of Asiaflex Products, the only flexible pipe and umbilicals production plant in the Asia Pacific Region.
- 2 Technip completes construction of the hydrocracking plant for the Grupa Lotos refinery in Gdansk, Poland a month ahead of schedule.
- 3 Technip signs a contract to supply the platform for the Mariscal Sucre project: the first gas development offshore Venezuela.
- 4 World Health Day provides the occasion to raise employee awareness of musculoskeletal problems.

## A reinforced leadership in refining

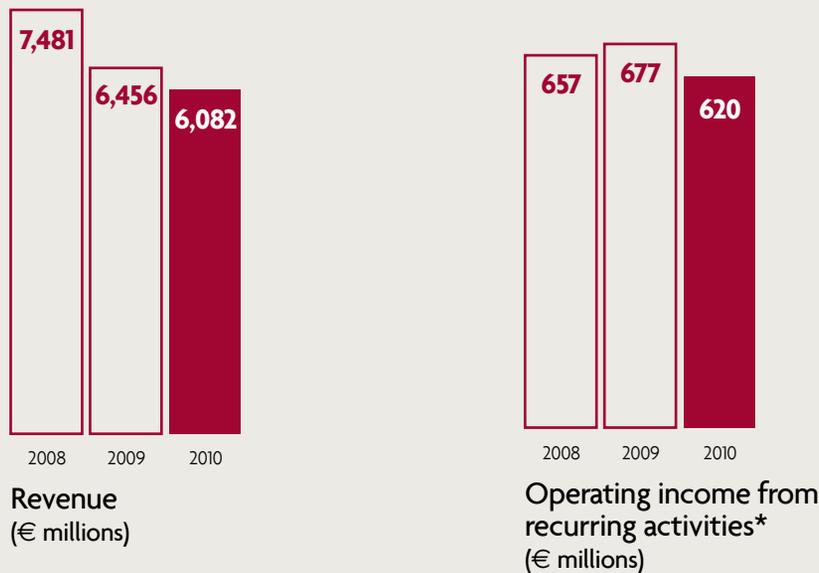
# DEC



- 1 Technip wins a major contract from Sonatrach to upgrade its Algiers refinery.
- 2 The Jubilee field, the first development offshore Ghana, enters into production.
- 3 Technip contributed to all five of the projects named as projects of the year by Offshore Magazine (Perdido, Jubilee, Cascade & Chinook, Gjoa and North Amethyst)!

# KEY FIGURES

Technip's 2010 revenue came in at the top end of our initial expectations, at €6.1 billion. Driven by strong execution and successful delivery of major projects worldwide, Technip's operating margin was above 10% for the second year running. Our backlog at the end of the year stood at €9.2 billion, our highest since end of 2007. Our well diversified portfolio of contracts combined with a strong balance sheet and good net cash position allows us to continue to focus on our profitable and sustainable growth as we enter 2011.

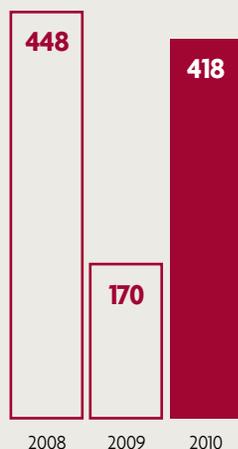


Subsea revenue in 2010 (€2,732 million) reflected lower activity in some geographical areas such as the North Sea and the Gulf of Mexico partially offset by a good activity in West Africa and Brazil.

Onshore/Offshore 2010 revenue (€3,350 million) reflected a lower contribution from completed legacy contracts partially offset by the ramp-up of newer projects such as the Jubail refinery in Saudi Arabia.

Thanks to strong project execution, we delivered profitability ahead of our initial goals, with an operating margin reaching 10.2%.

\* Excluding the exceptional €245 million provision related to TSKJ matter in 2009



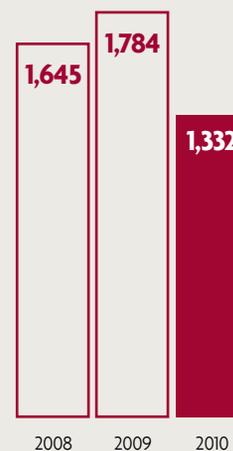
### Net income\*\* (€ millions)

Net income in 2010 was €418 million, up compared with 2009, which included an exceptional provision related to TSKJ matter.

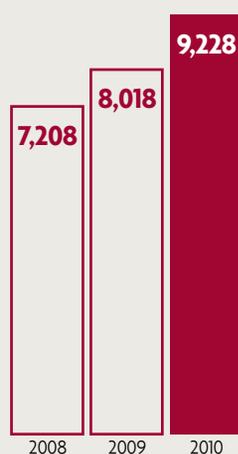
In 2010, Technip completed the refinancing of its €650 million bond maturing in May 2011, with a €200 million private placement closed in July 2010 and the issue of OCEANE bonds for an aggregate amount of €550 million in November 2010.

Capital expenditures and investments remained strong at €504 million in 2010, which included €389 million for capital expenditure and €114 million for the 8% stake in MHB, while R&D investments rose to €57 million.

With the completion of major contracts and the payment of TSKJ provision, Technip's net cash decreased to €1,332 million at December 31, 2010.



### Net cash (€ millions)



### Backlog (€ millions)

In 2010, Technip reinforced its focus on profitable and sustainable growth despite a challenging competitive environment.

We grew our backlog by over €1 billion during the year to €9,228 million, while meeting our objectives for diversification.

\*\* Including the exceptional €245 million provision related to TSKJ matter in 2009

# TECHNIP ON THE STOCK MARKET

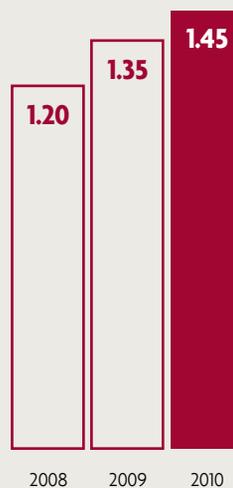
The Technip share is listed on NYSE Euronext Paris exchange and over the counter (OTC) in the USA. In September 2009, it joined the CAC 40 Index, the Paris Stock exchange's primary index.

## Technip share price performance on Euronext Paris (compartment A)

As of December 31, 2010, Technip represented the 31<sup>st</sup> market capitalization of the CAC 40, while the Group ranked 36<sup>th</sup> when it entered the index.

Despite uncertainty around worldwide recovery and the tragic Macondo incident in the Gulf of Mexico, Technip's stock rose 40% in 2010 and reached a historic high of €71.70 per share on December 23, 2010. In 2010, Technip continued to implement its strategy focused on profitability, successful project execution, technological excellence and profitable order intake.

Early 2010, Technip's share price was €49.40 per share and ended the year at €69.10 per share.

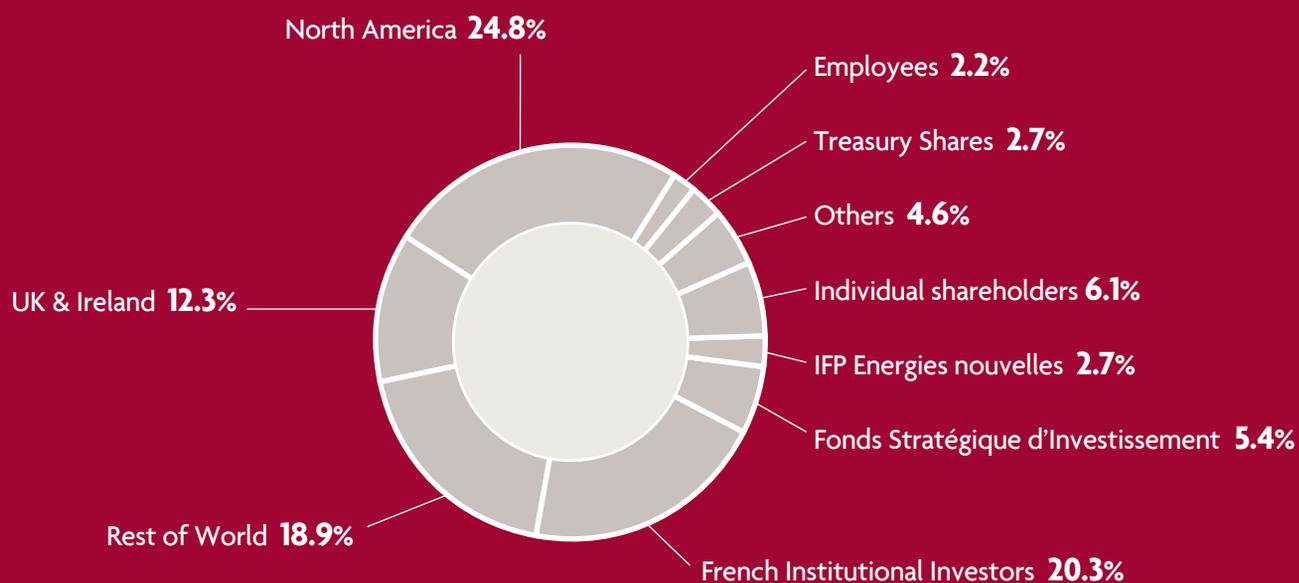


## Dividend for the fiscal year (€ per share)

Our 2010 performance and 2011 outlook enable the Board of Directors to recommend a 10 euro cent increase in the dividend to €1.45 per share.

## SHAREHOLDING STRUCTURE AT DECEMBER 31, 2010

(AS A % OF SHARE CAPITAL)



### DJSI

Sustainable development concerns are integrated into the Group's approach to project execution and in defining and applying its values. Thanks to our achievements in sustainable development, our stock has been reselected for 2010-2011 as part of both the European and World Dow Jones Sustainability Indexes, for the ninth consecutive year.



### SHAREHOLDERS AND INVESTORS CONTACTS

Technip's financial communications team is available to answer questions and provide information to individual shareholders, institutional investors and financial analysts in French and English:

#### INDIVIDUAL SHAREHOLDERS RELATIONS

Tel: +33 (0)1 47 78 66 75

E-mail: [cvidal@technip.com](mailto:cvidal@technip.com)

#### INVESTORS AND ANALYSTS RELATIONS

Tel: + 33 (0)1 47 78 69 77

E-mail: [investor-relations@technip.com](mailto:investor-relations@technip.com)

**MESSAGE FROM THE CHAIRMAN AND CEO**  
**GOVERNANCE AND ORGANIZATION**  
**VALUES**  
**ETHICS AND COMPLIANCE**  
**MARKETS AND STRATEGY**



# OUR VISION, OUR VALUES



## Message from the Chairman and Chief Executive Officer



**Thierry Pilenko**  
Chairman and  
Chief Executive Officer

# TOWARDS PROFITABLE AND SUSTAINABLE GROWTH

### **What milestones did Technip set in 2010?**

In 2010, we continued to make progress towards the achievement of our strategic objectives despite a challenging environment.

We maintained our focus on strong project execution, as witnessed by the completion of the exceptional liquefied natural gas (LNG) projects in Qatar. We also were able to renew our backlog with several key contracts such as the Papa Terra IPBs in Brazil, the Mariscal Sucre offshore development in Venezuela and the Algiers refinery, while maintaining a balanced portfolio of projects. Moreover, we gained ground on the promising floating LNG (FLNG) market that combines the skills and expertise of all three of our business segments.

Several new world class assets, such as the Apache II, the Skandi Vitória and Asiaflex Products, our new flexible pipe and umbilicals manufacturing plant in Malaysia, came into operation in 2010.

And, with our regional structure now fully in place, we have made significant progress on several key company-wide initiatives and processes in fields such as human resources, compliance and construction supervision.

### What is your take on the Group's financial results?

Our financial results for 2010 were good, slightly above our expectations.

Our revenue was €6.1 billion. We achieved an operating margin from recurring activities of 10.2%, driven by strong project execution. Order intake accelerated in the second half of the year despite a challenging competitive environment, enabling us to grow our backlog by over €1 billion during the year. At year-end, backlog stood at €9.2 billion, its highest level since the end of 2007. Our balance sheet remains solid, with a good net cash position and attractive long term financing secured.

Given this performance and the outlook for 2011, we have recommended that the shareholders approve a dividend increase from €1.35 to €1.45 per share.

### How did Technip demonstrate its commitment to sustainable development in 2010?

I would like to begin with safety, because our industry was faced in 2010 with a major disaster in the Gulf of Mexico. This tragedy reminds all of us of the unrelenting need to focus on safety, everywhere, at all times. When I joined Technip in 2007, I set the objective for Technip to become the reference company in our sector in terms of health, safety and environment (HSE). What does this mean? It means that every one of our stakeholders, whether partners, clients... can say: "when it comes to HSE, I learned from Technip". By encouraging all of us to become leaders and to anticipate potentially unsafe situations, our Pulse program to promote HSE culture has enabled us to move towards this objective. In 2011, we will continue our efforts to further improve our performance.

We are also seeing increased concern for the environment and increasingly interesting opportunities

in the renewable energies market. Technip is ready to address these challenges by building on the expertise we have developed in our core business, oil and gas. We are currently working on a project for a well containment system which could be used to prevent another oil spill in the Gulf of Mexico. Of course, we hope that this system will never need to be used, but it is a good example of the technological know-how which we can put to use to protect the environment.

Finally, in terms of international human resources management, the economic recovery in 2010 confirmed the strategy we have adopted over the recent years, namely preserving our intellectual capital and continuing to recruit talents wherever they are located across the globe. This multi-site recruitment, combined with our assets based on all continents, allows us to respond to our clients' ever more ambitious local content objectives. We do not consider these objectives to be a constraint, but rather an opportunity to attract talented people to Technip, who are motivated by the prospect of contributing to their country's development, and passing on the benefits of our activities to local communities.

### What is the outlook for 2011?

Looking ahead to 2011, we are positive about the outlook for our industry. Oil prices and input costs are at levels which make most projects worldwide economically viable, allowing our clients to focus on growing their production capacity. The markets supporting our structural growth – deepwater developments, refining in emerging markets and gas production, including FLNG – remain robust. Regions such as Brazil, the Middle East and Australia show no signs of slowing down. Our clients continue to look for the best solutions to fully optimize their assets all along the value chain,

which plays to Technip's technological strengths. Nonetheless, we have to remain cautious. Competition is still intense and the increasing cost of some raw materials raises the risk of inflation for the industry and for our clients. Finally, new regulations in the Gulf of Mexico and the geopolitical situation in North Africa and the Middle East add uncertainty to the industry outlook.

Our strong, well-balanced backlog is in line with our objectives for diversification. The backlog scheduled for execution beyond the current year is the highest we have had since 2006. We have therefore revised our 2011 initial view upwards and expect Group revenue of around €6.5 billion-€6.7 billion, with a Subsea margin above 15% and an Onshore/Offshore margin of between 6.0% and 6.5%.

By way of illustration, at the beginning of 2011 we have already announced four key initiatives which demonstrate our faith in the future: a project to construct a new flexible pipe fabrication facility in Brazil focusing on high-end products; a new built pipelay vessel dedicated to the Asian market; the expansion of our steel tube umbilical capabilities and a strategic foothold in offshore wind. Our initial capital expenditure expectations are above €400 million and we see attractive opportunities to add to this.

For 2011, we will continue to stay on track towards profitable and sustainable growth. We have the assets and the talent to take it further!

# TRANSPARENT AND RESPONSIBLE LEADERSHIP

Since the end of 2008, Technip is committed to implementing the highest standards of corporate governance, notably by applying the provisions of the French AFEP/MEDEF corporate governance code for listed companies. In addition, our regional organization gives us proximity to our clients in high-growth markets.

## [ Technip Executive Committee

**John Harrison**  
General Counsel

**Thierry Pilenko**  
Chairman and  
Chief Executive Officer

**Bernard di Tullio**  
President and Chief  
Operating Officer

**Frédéric Delormel**  
Senior Vice President,  
Subsea

**Thierry Parmentier**  
Human Resources  
Director



"Our vision for the Legal Division is to be an effective business partner embedded in all of the operations of the company. We will not just "advise and consent", we will help to "devise and implement"."

"Transparency and credibility are key in how we do business: we talk the walk and walk the talk."

"The market was dynamic in 2010, with order intake accelerating in the second half of the year, boosting our backlog to €9.2 billion; its highest level since the end of 2007."

"In 2010, we strengthened our leadership in the Subsea market with the opening of our new flexible pipe and umbilical plant in Malaysia and the addition of two new vessels to our fleet."

"Our priority is to develop new talent pools worldwide, and offer them exactly the same opportunities, regardless of country or background."

## THE BOARD OF DIRECTORS

The Board of Directors determines the strategic business directions of Technip and supervises their implementation. It is assisted in its duties by recommendations made by the Audit Committee, the Nominations and Remunerations Committee, the Strategic Committee and the Ethics and Governance Committee.

The activities of the Board of Directors are governed by a set of internal regulations, and a Directors Charter defines their rules of conduct and duties.

## Composition of the Board of Directors

AT FEBRUARY 28, 2011

Thierry Pilenko (Chairman and Chief Executive Officer)  
Olivier Appert  
Pascal Colombani\*  
Marie-Ange Debon  
Gérard Hauser\*  
Marwan Lahoud\*  
Daniel Lebègue\*  
John O'Leary\*  
Joseph Rinaldi\*  
Bruno Weymuller

\*Independent Director

## EXECUTIVE MANAGEMENT

The Chairman and Chief Executive Officer is responsible for the general management of Technip, with the assistance of the Executive Committee. Three special committees are also attached to the Chairman and Chief Executive Officer: the Sustainable Development Committee, the Ethics and Compliance Committee, and the Disclosure Committee.

The Executive Committee prepares decisions for submission to the Board of Directors, and specifically those relating to the approval of accounts, the setting of objectives, budgets and strategic orientation, and the acquisition and sale of assets and companies. It supervises the monitoring of major contracts and evaluates key investment decisions. It also examines the plans and recommendations put forward regarding internal audit, information systems and telecommunications, human resources and asset management.

In 2010, the Executive Committee was expanded to include representatives from each of Technip's three business segments - Subsea, Offshore and Onshore - to work alongside the President and Chief Operating Officer, the Chief Financial Officer, the Human Resources Director and the General Counsel.

## A REGIONAL ORGANIZATION

Technip's organizational structure consists of seven autonomous Regions\* that are responsible for their own client interface, operations and financial results. The head office, which comprises the Group senior management and corporate teams, supports the Regions with advice and expertise in transversal areas such as health, safety and environment, finance, legal affairs, human resources, product lines, communications and information systems. In June 2010, the head office was relocated to new premises at Porte Maillot in Paris (France), in order to clarify the Group's organization and the role of its corporate functions.

\*Asia Pacific, Brazil, Middle East, North America, North Sea-Canada, Region A (Western Europe, Africa, India and Pakistan), Region B (Italy, Greece, Eastern Europe/Russia/CIS and South America).

**Julian Waldron**  
Chief Financial Officer

**Nello Uccelletti**  
Senior Vice President,  
Onshore

**Philippe Barril**  
Senior Vice President,  
Offshore



"We delivered profitability ahead of our initial goals, driven by strong execution and, for the second year running, Technip's operating profit margin was above 10%."

"The Onshore Segment had a very good year in 2010: we successfully completed major projects and signed important new contracts that are well-diversified in terms of geographies and technologies."

"In Offshore, we have positioned ourselves in "frontier" markets that demand high added-value technology."

# THE VALUES TO TAKE TECHNIP FURTHER

Our values are operational. They have ensured our success to the present and will take us forward.

We are inspired by these values.  
Our industry believes in them.  
Our clients experience them.  
Our brand reflects them.

By sharing these values and living them each day at Technip, we are truly One.



/// "Take it Further" means excelling in what we do, succeeding together, exceeding expectations and innovating continuously. This tagline embodies our spirit and our outlook.



## DOING THE RIGHT THING

Our conduct speaks louder than words. That is why we strive to always do the right thing wherever business takes us. That means not only acting transparently and keeping commitments, but also ensuring the safety of people and sustainable practices within the community and across the planet. **Safety, ethics, quality, security and respect** always take us further.



## TRUSTING THE TEAM

You already know the feeling that comes from joining together successfully to solve a major challenge. Our ability to combine **talents** and deliver success makes us unique. We value **diversity**, and have **passion** and true **belief** in each person's contribution. It is the **trust** and **confidence** between team members and between teams that take us further.



## ENCOURAGING A FAIR RETURN FOR ALL

We believe in **profitable** projects based on **sustainable** relationships. We seek to enhance our performance and **share** the benefits of every **achievement** with our stakeholders, clients, employees, shareholders, partners, suppliers and local communities. Fair returns take us all further.



## BUILDING THE FUTURE

At Technip, we are building the future through today's most ambitious energy infrastructure projects. We are also creating the conditions that will generate tomorrow's game-changing **innovations** by **developing our people**. **Entrepreneurial** attitude, **investment** and **anticipation** are at the very heart of how we are taking it further.

# TECHNIP: A STRONG AND UNIQUE BRAND

In 2010, we embarked on a process of revitalizing and harmonizing the Technip brand. The resulting new brand identity has been applied from the end of the first quarter of 2011.

As part of this branding exercise, we conducted a quantitative survey at the beginning of last year among the 23,000 Technip people. This survey was followed by a series of workshops involving Group senior executives and Regional representatives. At the same time, we conducted nearly a hundred in-depth interviews with our stakeholders. Careful analysis of this information enabled us to map out the current perception of Technip and its identity components. It resulted in the implementation of a Group-wide project.

From March 2011, the revitalization of our brand has taken the form of a unified and more consistent approach to communication by, and about, Technip. The redefinition of our vision, mission and business purpose, as well as key messages (summarized by the "take it further" tagline) and values (see opposite) now crystallizes and embodies this new identity. New tone of voice and look and feel, which will over time become symbolic of Technip, have been adopted. Full deployment toward all audiences will take place across 2011, supported notably by a revamp of the communications tools and a focus on commercial

needs, and a human resources campaign to reinforce our employer brand.

By empowering its brand, Technip is increasing the effectiveness of its messages and making its communication initiatives more relevant. The Group is committed to promoting its distinctive strengths and added value in today's highly competitive market, boosting its appeal and raising its profile among all its audiences. We are winning recognition as a visionary and passionate company, made-up of diverse and multi-talented people, and truly focused on the future.



### Peter Lunny

Legal Vice-President and Regional Compliance Officer, North Sea - Canada

#### WHAT IS THE ROLE OF THE REGIONAL COMPLIANCE OFFICERS?

We assist our regional business units in ensuring compliance with the law and with Group procedures. We must therefore keep up-to-date with changes in local legislation and jurisprudence.

#### WHAT ARE THE SPECIAL FEATURES APPLYING TO ETHICS IN THE "NORTH SEA - CANADA" REGION?

In April 2010, the British Parliament adopted anti-corruption legislation that should come into effect in 2011. This legislation endorses the need for all companies to take preventive action. This is an important change in the United Kingdom, although it will have little impact on Technip, since our standards are already among the highest currently in force.

#### HOW WILL YOUR REGION BE DEPLOYING THE ETHICS CAMPAIGN LAUNCHED IN 2011?

Some of our managers already received training in 2010, and a poster campaign backed up by advertising on our internal TV system will run in 2011 in all regional operating centers. And of course, we will also be introducing the online training program.

# ETHICS, AN EVERYDAY COMMITMENT

"Doing the right thing" at all times and in all locations is a fundamental Technip value; a value that means acting transparently and ethically. Every day, Technip ensures that its people comply with its Ethics Charter and with international regulations, particularly in regards to anti-corruption.

#### AN ORGANIZATION THAT PROMOTES ETHICS AT EVERY LEVEL

Behaving ethically means conducting business in accordance with the highest standards of honesty, integrity and fairness in compliance with the principles set out in the United Nations Global Compact. It also means providing stakeholders with opportunities for success on the basis of mutually beneficial and transparent cooperation. Unethical behavior poses criminal and financial risks and threatens the reputation of companies, and all businesses must implement strict guidelines to guard against any such risk becoming a reality.

A number of bodies are in place to ensure that Technip's principles are applied and complied with by everyone in the company: the Ethics and Governance Committee assists the Board of Directors in promoting good governance and ethical practice; the Ethics and Compliance Committee monitors internal distribution and correct application of the Charter and integrity rules, and the Regional Compliance Officers ensure compliance at all operational levels under the supervision of the Group Compliance Officer (see interview).

#### MAKING THE RULES CRYSTAL CLEAR

Technip continuously strengthens its ethics and compliance policies and procedures to remain consistent with the most stringent international practices. Our rules and systems together constitute an extremely operational compliance structure that is deployed at every level of the Group.

Our Ethics Charter defines the rules of good conduct: never make personal use of privileged information, always protect the confidentiality of sensitive information, prevent conflicts of interest, never offer any inducements whatsoever to public employees to secure a contract, and always flag any behavior that violates these rules. With respect to this last issue, a whistle-blowing procedure was introduced in June 2010 enabling employees of the Group to inform the Ethics and Compliance Committee anonymously or otherwise of any behavior violating the ethical rules applying to finance, accounting and corruption.

Technip has implemented many ethics-related operational standards. The "anti-corruption policy" provides a clear, comprehensive Group-wide framework that helps employees to behave operationally with honesty and integrity. These rules are critical for those whose jobs include

/// Ethical behavior  
is central to everything  
Technip does.



negotiating with third parties and taking decisions about contracts to sign. The “know your partner” principle requires potential commercial and industrial partners of Technip to complete a questionnaire and sign a declaration of compliance. We then check the information provided and pay particular attention to any alarm signals that could cast doubt on the honesty and integrity of the potential partner. If any such issues cannot be resolved in a satisfactory manner, the commercial relationship is terminated. A third standard sets out the rules governing the acceptance of gifts and hospitality to avoid any corrupt practices.

Ethics training courses were conducted for managers across the Group throughout 2010. In order to ensure that everyone adopts this approach with even more commitment, a major ethics training and awareness campaign was launched in the first quarter of 2011. Online training was made available to all employees, who also received an instructional brochure. The key messages it contained were further reinforced by a poster campaign.

## ETHICS & HUMAN RIGHTS

Until now, fighting corruption has been our priority, but Technip also pays close attention to other ethical issues, including competitive practices, export controls and human rights.

As a signatory to the UN Global Compact, Technip is committed to a continual process of applying and promoting (within its sphere of influence) the ten Global Compact principles in terms of human rights, working and environmental standards and anti-corruption. In terms of human rights, we ensure that we apply both the letter and spirit of all applicable legislation. The Group has added a clause to its general purchasing terms and conditions informing suppliers of its membership of the Global Compact,

and checks that its values are applied when conducting supplier inspections and audits.

Technip encourages its entities to increase their commitment to human rights even further, and one example of this is that the employment and ethics policy applied by Technip in Italy has been SA 8000 certified since 2004. This global social accountability standard recognizes compliance with human rights, child labor and working conditions legislation by Technip and its suppliers.

# BUILDING ON OUR STRENGTHS IN HIGH-POTENTIAL ENERGY MARKETS

Each day, through the projects it undertakes, Technip contributes to finding solutions to the world's energy challenges. On our markets, we are recognized for the close attention we pay to meeting the needs of our clients, our integrated and sustainable approach to projects, our technological expertise and our project management skills. Our strategy aims to reinforce these fundamental strengths.

## MARKETS: GLOBAL RECOVERY IN THE OIL AND GAS SECTOR

The improvement seen in the market environment during the second half of 2009 continued throughout 2010, with the annual economic growth rate up from the -0.6% contraction of 2009 to +4.8% in 2010 (International Monetary Fund figures). Global oil consumption followed the same trend with an increase of 2.5 million barrels per day in 2010, after a drop of 1.2 million in 2009 (International Energy Agency figures). As in 2009, the price of oil continued to rise in 2010, fluctuating between USD70 and USD80 per barrel. Despite continuing uncertainties, it seems likely that the economic environment will continue to play in favor of Technip during 2011, with forecasts of economic growth in excess of 4% and oil consumption increasing by more than 1 million barrels per day.

### INCREASING INVESTMENT

This favorable business environment has encouraged oil producers to pursue a more dynamic investment policy. According to Barclays Capital, worldwide investment in exploration and production rose by approximately 10% in 2010, and should continue to grow at a comparable rate in 2011. This trend is confirmed in the most recent publications issued by IFP Energies nouvelles.



/// We are strengthening our presence in regions with high growth potential, such as Brazil.

The majority of this investment is focused on emerging countries and the regions with extensive reserves of oil and gas in the Middle East, Asia Pacific, South America and Central America.

### A BUOYANT MARKET FOR TECHNIP

We are confident in the growth drivers of our markets. Oil and gas now account for more than half of the energy consumed by the world's 7 billion people. As alternative energies continue to grow in importance very gradually, the share of oil and gas is likely to continue to dominate the energy

market in the decades to come. Oil and gas producers must not only face an increase in demand, but also offset the decline in their reserves and undertake increasingly complex projects in challenging environments. Companies like Technip, with a sound and reliable record in terms of safety and technology, will be the best equipped to support those producers going forward.

/// Technip invests in its industrial assets: the Apache II joined the fleet in 2010.



## STRATEGY: REMAINING FOCUSED ON OUR FUNDAMENTALS

Against this market background, Technip remains focused on its core business sector of oil and gas, where its technological expertise and solutions represent a genuine competitive advantage that delivers real added value in response to client needs.

Technip remained on course in 2010, as we continued to implement the strategy undertaken since 2007; a strategy based on empowering our regional organization and increased operational efficiency. Significant progress was made during the year in respect of several key strategy directions:

- improving our project delivery and project management capabilities,
- investing in expertise, technologies and industrial assets,
- operational deployment in high-potential regions,
- intensifying our commitment to excellence in health, safety and environment (HSE),
- developing our human resources and empowering the HR organization.

We are also committed to a sustainable development policy, within which environmental and social aspects are integral to everything we do

and the way we grow our business. This global strategy is applied throughout our three business segments.

### SUBSEA: CONSOLIDATING OUR GLOBAL LEADERSHIP

Our comprehensive expertise covers the entire value chain for subsea infrastructures, from pipeline and umbilical design through manufacture and installation. The Subsea strategy aims to extend the market leadership of the Group by focusing on two key areas. First, we intend to capitalize on vertical integration by increasing the production capacities of our flexible pipe and umbilical production plants and modernizing our fleet. Secondly, we aim to set the industry benchmark for meeting the challenges of deep water developments. Technip focuses its Subsea segment growth on those regions offering high development potential: West Africa, the Gulf of Mexico, Brazil and Asia Pacific.

### OFFSHORE: FOCUSING ON “FRONTIER PROJECTS”

In the Offshore segment, Technip operates in markets where technology delivers high added value, such as the ultra-deep water market (Spar technology), large units requiring sophisticated installation techniques (like floatover) and the emerging market for floating liquefied natural gas

units (FLNG). In this particular market, Technip is able to capitalize on its expertise in natural gas liquefaction, flexible pipelines and offshore platforms, and the Group intends to consolidate its leadership by working alongside those oil companies most committed to exploiting this market. Another facet of our Offshore strategy is the optimization of our ability to deliver projects in high-potential regions, such as Asia Pacific.

### ONSHORE: CAPITALIZING ON OUR EXPERTISE

Technip is a world leader in the Onshore market, and has delivered many major projects with high technological content. Technip's strategy focuses primarily on developing its strengths: technological expertise (through proprietary technologies and partnerships with licensors), engineering and project management capability and project delivery skills (in procurement and construction, for example). In parallel, the Group is committed to controlling its risk profile by diversifying its contract portfolio and by working alongside clients from the earliest stages of a project in order to gain the best-possible understanding of the risks. Lastly, Technip is increasing its local presence in markets such as the Middle East, Asia Pacific and Latin America in order to deliver a proximity-based service tailored to the needs of its clients.

# SUBSEA OFFSHORE ONSHORE





# THREE BUSINESS SEGMENTS, ONE MISSION

# SUBSEA



# PUSHING BACK THE LIMITS OF TECHNOLOGY TO EXPLOIT SUBSEA RESOURCES

In the Subsea segment, Technip is involved at every stage of the value chain, from subsea field layout, pipeline and umbilical design and fabrication right through to installation and condition monitoring during production. This vertical integration, unique in the sector, combined with our project management experience, logistics expertise and leading-edge assets, makes Technip a global leader in this field.

## NEW FRONTIERS

Subsea fields are one of the few remaining environments where oil and gas companies can increase production of hydrocarbons, but the majority of these new developments lie at extreme depths or far offshore. These high-tech projects thus represent a very significant opportunity for players like Technip, which are capable of delivering real added value. In the highly competitive market seen in 2010, Technip remained on course in strategically important regions by securing and completing major projects.

The accident involving the Deepwater Horizon drilling platform in the Gulf of Mexico provided the energy industry with a sharp reminder that deep water operations continue to set challenges that demand the greatest attention to detail in their execution. We believe that this human and ecological tragedy should result in a preference for companies with proven technological expertise that are recognized for their commitment to excellence in execution, safety and environmental protection.

## DELIVERING EXCELLENCE IN THE GULF OF MEXICO

The projects executed during 2010 in the Gulf of Mexico (Cascade & Chinook for Petrobras and Caesar Tonga for Anadarko) allowed us to extend our deep water expertise and move ahead with the development of technological solutions specific to this challenging environment. The successful achievement of these projects has also helped us to win new contracts in the region, including the Walker Ridge Project for Enbridge and Jack & St Malo for Chevron, both of which were signed at the end of 2010.



/// In 2010, Technip conducted three installation campaigns offshore West Africa, including the Pazflor project.

## PRE-SALT: A PROMISING BUT CHALLENGING “EL DORADO”

2010 confirmed Brazilian hopes regarding the oil and gas reserves contained in the pre-salt layer. Combined with ongoing exploitation and new discoveries in its conventional offshore fields, these pre-salt discoveries should allow Brazil to double its current production volume of just under 2.5 million barrels per day by 2020 (sources: Petrobras outlook and 2010 BP Statistical Review of World Energy). In 2010 Technip, already well-established in Brazil with a workforce of 3,000 people, completed the Tupi export pipeline

project and won contracts from Petrobras for the Tupi Pilot risers and flowlines and for Papa Terra field development.



### Paulo Veronesi

Commercial Director Subsea, Brazil

#### WHAT IS THE BACKGROUND TO YOUR WINNING THE CONTRACT FOR THE TUPÍ PILOT FIELD?

We have been selected by Petrobras to supply the flexible pipelines required for this pre-salt field on the basis of a far-reaching two-year qualification plan that demonstrated that our technology offered the best reliability/price ratio for this pioneering development.

#### TECHNIP HAS ALSO SIGNED A CONTRACT FOR PAPA TERRA. WHAT ARE THE TECHNOLOGICAL CHALLENGES POSED BY THAT PROJECT?

Papa Terra is a heavy oil field for which our integrated production bundle (IPB) technology, whose active heating system improves oil flow, was selected. An innovative monitoring system using distributed temperature sensor (DTS) technology has been developed jointly by Technip and Schlumberger, and this will be fitted into the Papa Terra IPBs. Our ability to work alongside our client at an early stage and to offer innovative solutions is definitely a factor in our success.

#### WHAT IS THE POTENTIAL OF THE BRAZILIAN SUBSEA MARKET, AND HOW IS TECHNIP POSITIONED IN IT?

Brazilians often describe theirs as “the country of the future”, and it is true that Brazil offers enormous potential. As a result of the experience we have accumulated here over the last 35 years or so, Technip is one of the key players in the Brazilian Subsea market. The long list of successful projects and strategic assets recently added to our portfolio - such as the Port of Angra and the Skandi Vitória - give us a decisive competitive edge going forward.

€ 2,732 million  
2010 revenues

€ 3,111 million  
Backlog at end 2010

#### RESURGENCE IN THE NORTH SEA

In 2010, the mature North Sea market demonstrated that it still offers considerable potential. Technip confirmed its leadership in the region with the signature of a series of contracts during the year, including in particular the Islay project for Total and framework agreements with BP, Shell, BG and Statoil.

#### TECHNIP CONFIRMS ITS POSITION IN AFRICA

Technip is well-established in West Africa, with engineering centers in Angola and Nigeria, as well as an umbilical plant and a spoolbase in Angola. Our track record in the region continued in 2010 with three consecutive installation campaigns carried out with our flagship Deep Blue, for the Jubilee (Ghana), Block 31 and Pazflor (Angola) projects. Brought into production in December 2010, the Jubilee field is located 60 kilometers offshore Ghana at water depths of 1,200 to 1,700 meters and is the first Subsea project for this country.

#### NEW REGIONS... NEW CHALLENGES

Asia Pacific offers strong growth potential for the deep water Subsea and Offshore markets. The official opening in 2010 of the new Asiaflex Products flexible pipe and umbilicals plant in Malaysia should put us in a strong position to tackle the Asia Pacific and Middle East markets.

Technip is also active in the Mediterranean, where the Group completed Phase VII of the Burullus West Delta Deep project offshore Egypt and won two new contracts during the year: one for the Phase VIIIA of the same project, and the other offshore Spain for Repsol.

#### CONTINUED INVESTMENT FOR STRONGER LEADERSHIP

With continued investment in the construction of vessels, production plants and technologies in 2010, Technip stayed on track with the capex program begun in 2007 to consolidate its position on the Subsea market.

#### INVESTING IN OUR FLEET AND PLANTS

Our specialized fleet was further expanded during the year with the addition of the Apache II reeled rigid pipelay vessel. In 2010, the Skandi Vitória, a vessel designed for the Brazilian market to install flexible pipe at depths exceeding 2,000 meters, started its four-year charter to Petrobras. Building works on the Deep Energy and Skandi Niterói, our two future vessels, continued in 2010. During the year, the Skandi Arctic, our newest state-of-the-art diving support vessel, continued its operations in the North Sea to our clients' satisfaction, demonstrating the pertinence of our capital expenditure program.

In terms of our production capability, Asiaflex Products is the only flexible pipe production plant in the Asia Pacific region and Technip's third such facility after Le Trait in France and Vitória in Brazil. This new plant represents the Group's largest investment to date in the Asia Pacific region and has a production capacity of 200 kilometers of pipe per year. The facility is also designed to manufacture umbilicals and incorporates an offshore logistics base. At the beginning of 2011 we also announced a new investment project at our Port of Angra site to expand our flexible pipe manufacturing footprint in Brazil adding capacity for additional volume and high-end products.

# 16.7%

Operating margin in 2010

## CAPITALIZING ON OUR TECHNOLOGICAL ADDED VALUE

As our customers continue to push back the limits of oil and gas production on a daily basis (deeper waters, more corrosive fluids and ever-higher pressures and temperatures), it is essential that we continue to innovate and deliver the right technological responses to these new challenges.

The projects undertaken during the year provided the opportunity to do so. For example, the reelable, electrically trace-heated pipe-in-pipe (ETH-PIP) technology was applied for the first time in 2010 as part of the Islay pilot project for Total. ETH-PIP has been designed to enhance production operability of subsea pipelines that are liable to become blocked by the formation of hydrates or wax deposits. Successful application of this technology will reduce capital and field operating costs. During 2010, Technip also installed record breaking free-standing hybrid risers in 2,500 meters of water in the Gulf of Mexico on the Petrobras Cascade & Chinook field.

At the start of 2010, Technip used the Deep Pioneer vessel as the platform for conducting tests on a range of flexible pipes at a depth of 3,000 meters in the Gulf of Mexico, a world record. The test outcomes demonstrated the ability of these pipes to withstand extreme levels of external pressure. This qualification of our flexible pipes, the development of free-standing hybrid risers and the use of new plastics in our products are all effective responses to the changing needs of the Subsea market.



/// The Apache II joined the Technip fleet in 2010 and has been mobilized on a number of Subsea projects, mainly in the North Sea.

## THE ARCTIC: TAKING SUBSEA TO ANOTHER EXTREME

The Arctic region is defined as the area above the Arctic Circle and incorporates territory in Russia, Norway, Greenland, Canada and the United States, and contains enormous oil and gas reserves, according to the 2008 US Geological Survey.

Technip is a leading player in this market, thanks to its presence in the North Sea, Norway and Canada, and its involvement in projects such as Snøhvit (conducted for Statoil in 2005), and more recently the ENI Goliat project awarded in 2009. This project is located in the Barents Sea, approximately 85 kilometers from Hammerfest,

the world's most northerly city. Work on the three-year offshore installation program will begin in 2011 and, given its environmentally sensitive location, will focus closely on protecting the Arctic environment.

# OFFSHORE



# AN EXPERT IN HIGH ADDED-VALUE TECHNOLOGY

Our Offshore activities include engineering, procurement and the construction and installation of fixed and floating platforms for the energy industry. Technip has developed its own innovative platform concepts and state-of-the-art technologies for the installation of topsides. We are positioned in the design and construction of complex installations, including floating production, storage and offloading (FPSO) units that are among the world's largest, and in floating liquefied natural gas (FLNG) concepts.

## MAJOR OPERATIONAL DEVELOPMENTS IN 2010

In 2010, Technip worked on projects in both shallow waters and at much greater depths. The Offshore segment also increased its contribution to the Group backlog with the signature of several major contracts.

### SUSTAINED ACTIVITY IN THE CONVENTIONAL OFFSHORE SECTOR WORLDWIDE

During the year, Technip was awarded a design, procurement and construction management contract by Petroleos de Venezuela S.A. for a platform to be used in the Mariscal Sucre Dragon and Patao fields. These are the first offshore gas developments in Venezuela. The fixed platform will be installed at a water depth of approximately 130 meters off the northeast coast of Venezuela. We also won a major contract for the KJO project in the Middle East (see interview). Lastly, we returned to the North Sea in 2010 having been awarded the design for Dong's Herje platform (design competition).

### FLOATING PLATFORMS FOR DEEP WATER PROJECTS

Shell's Perdido Spar platform, anchored in 2,450 meters of water in the Gulf of Mexico, is the world's deepest water production installation and one of the most demanding technical challenges we have ever been presented with, involving extreme pressures and near-zero temperatures. This Spar platform, which came onstream at the end of March 2010, was designed by Technip in the USA, and built in the Group's construction yard at Pori in Finland (see picture on the left).

In Brazil, the Petrobras P-56 platform topsides and sub-structure were successfully assembled in



/// The structure and topsides of P-56 were assembled in October 2010, and the platform will be installed offshore Brazil in 2011.

October 2010 using the floatover method (a method developed by Technip for the installation of topsides with no need for lifting operations).

Also in 2010, Technip completed the front-end engineering design work for Total's Egina FPSO project. This FPSO will be one of the largest floating units in the world, and will operate in deep water offshore Nigeria.

Involvement in floating platforms projects should continue to grow in 2011, with the follow-up of various projects in several regions of the world.

**€773** million  
2010 revenues



### Vaseem Khan

Chief Operating Officer,  
Middle East Region

#### COULD YOU BEGIN BY TELLING US ABOUT THE KHAFJI PROJECT?

In August 2010, Technip was awarded the Khafji Crude Related Offshore project by Khafji Joint Operations (KJO). The Khafji field was discovered in the 1960s in the neutral zone between Saudi Arabia and Kuwait, and currently produces 300,000 barrels per day.

#### WHAT WILL TECHNIP'S INVOLVEMENT CONSIST OF?

It will cover the whole project, from the design to the commissioning of two integrated wellhead jackets, two electrical power distribution platforms, a composite subsea cable and a living and control platform, as well as the refurbishment of two existing platforms. Fabrication, transportation and installation will be sub-contracted to COOEC, while construction of the living and control platform will be entrusted to another partner, BOMESC.

#### WHAT CHALLENGES ARE YOU FACING?

The key challenge of this project is managing the relationship with COOEC, because this will be the first time that we have worked with them in the Gulf. Supervision of the fabrication process in Tanggu (China) by Technip operating center in Abu Dhabi will also require efficient organization, taking into account language and culture differences. Lastly, we must also apply Group Quality and HSE standards by building on the experience gained in previous projects.

**€1,131 million**  
Backlog at end 2010

### TECHNOLOGY AND PROXIMITY DRIVE OFFSHORE GROWTH

In the Offshore segment, we are active in all types of projects but we are developing our strengths to achieve a specific position in high technology markets. Another driver for this activity lies in optimizing our ability to deliver projects in high-growth markets.

#### TECHNOLOGIES FOR "FRONTIER" PROJECTS

As with Subsea, the Offshore market is faced with the challenge of exploiting new hydrocarbon fields in increasingly extreme conditions such as water depths approaching 3,000 meters and Arctic environments (where Technip has already made a name for itself with the award of Shtokman design studies contract in 2009). We continue to invest in the development of new technologies and tools that make future projects possible.

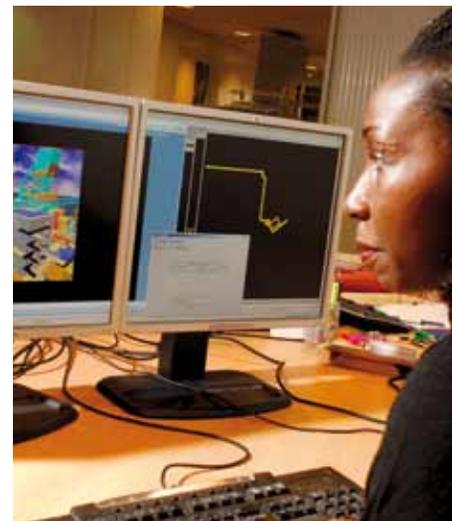
For FLNG (see inset) we have already designed cryogenic flexible pipes, and we are now working on qualification of an offloading line that can be used with a standard liquefied natural gas (LNG) tanker to enable more effective separation between vessels, and on identifying new technologies that will optimize the operating cost and safety aspects of these units.

In 2010, Technip pressed ahead with developing its deepwater tension leg platform (TLP) concept that enables the placement of wellheads on the platform itself rather than on the seabed. A novel semi-submersible platform design that minimizes vessel motion and improves riser performance is at the concept stage, as is a new shallow water platform design for use in the ice-bound North Caspian and Arctic Ocean. Design studies for a

Spar platform incorporating liquid product storage have also been conducted for a potential field development offshore Norway.

Technip also continues to push back the limits of its floatover installation method. The floatover high air gap concept enables the installation of heavier topsides at a higher level above the surface of the water, opening up new opportunities in regions where platforms are exposed to high waves and/or cyclonic weather conditions such as south-east Asia and north-west Australia.

/// Technip engineers work continuously on the development of new platform concepts and the adaptation of existing designs to new environments, including deep waters and the Arctic.



# 4.5%

Operating margin in 2010

## ESTABLISHING A PRESENCE CLOSE TO FAST-GROWING MARKETS

One of the great strengths of our Offshore business is our multi-local presence, which secures us not only a local presence alongside our customers, but also excellent coverage of growth markets such as the Asia Pacific region, Brazil and West Africa.

In the Asia Pacific region, Technip finalized long-term strategic collaboration agreements with MISC Berhad and Malaysia Marine and Heavy Engineering Holdings Berhad (MHB) in October 2010. Technip took an 8% equity stake in MHB at the time of the company's listing and initial public offering on the Malaysian stock market. This collaboration will enable us to continue the process of expanding our portfolio of businesses and services, with access to MHB construction yards in Malaysia and Turkmenistan. Our position in the Asia Pacific region was further strengthened in 2010 thanks to the opening of our Asiaflex Products pipe production plant at Tanjung Langsat, Malaysia, which will also incorporate an offshore logistics base.

With three semi-submersible platforms already in place for Petrobras, Technip has a strong and established presence in Brazil, where our expansion continued in 2009 with our acquisition of the Port of Angra, a highly prized gateway to the Brazilian offshore market.

In West Africa, Technip owns and operates engineering centers in Angola and Nigeria and industrial assets to meet the requirements of our clients for local content. The design studies for the Egina FPSO referred to above were thus carried out by our teams in Lagos, Nigeria.

## TECHNIP IDEALLY POSITIONED IN THE EMERGING FLNG MARKET

An FLNG (floating liquefied natural gas) unit is a platform that incorporates gas liquefaction installations and is located directly above the natural gas field it serves. This concept represents a technological breakthrough for the energy industry given that until now, all gas liquefaction operations took place onshore, and therefore required the construction of long subsea pipelines and major onshore infrastructures.

Although still at the design stage and yet to be sanctioned by investment decisions from oil and gas companies to confirm its potential, the FLNG market holds excellent prospects for growth. This technology will be particularly relevant for gas fields located too far offshore for production to be otherwise economically viable, and those where production will be earmarked for export. Nevertheless, the FLNG concept presents significant technological challenges involving the need to optimize the amount of space required without compromising safety levels, and the imperative of ensuring the easy and safe offloading of the LNG from the FLNG unit to the shuttle LNG tankers that will serve them.

This frontier market combines the technologies and expertise developed by all three of Technip's business segments: Onshore natural gas liquefaction processes, Offshore floating platform technology and Subsea infrastructure expertise. At the beginning of 2011, we were awarded a front-end engineering design contract by Petronas and Malaysia International Shipping Corporation Berhad for an FLNG unit under a consortium arrangement with Daewoo Shipbuilding & Marine Engineering Co. Ltd. With a capacity of 1 million metric tons



/// Technip is currently working on a number of design study contracts for FLNG projects.

per year, this unit will be located in Malaysia. Following the 2009 signature of a framework agreement with Shell for FLNG developments and design studies for the Shell Prelude and Petrobras FLNG (design competition), this new contract confirms the leadership of Technip on this market.

# ONSHORE



# OUR STRENGTHS: PROJECT MANAGEMENT CAPABILITY AND TECHNOLOGICAL EXPERTISE

In the Onshore segment, Technip's activity covers the full range of onshore installations required to meet the production, processing and transportation needs of the oil and gas, petrochemical and other industries (in particular renewable energies, nuclear and mining and metals).

## 2010... A WATERSHED YEAR FOR ONSHORE

Within the context of an overall upturn in the Onshore market, in 2010, Technip restructured its Onshore activity and reinforced its strategy to gain new business.

The internal organization of our Onshore activity was clarified in 2010 with the creation of a business segment represented within the Group Executive Committee, in the same way as Offshore and Subsea. In addition to developing strategy and monitoring business activity, the segment supports the Regions in terms of processes, market trend forecasting and coordination of commercial initiatives and technologies.

### A MORE BALANCED BACKLOG, INVESTMENT TO DEVELOP OUR STRENGTHS

In 2010, our Onshore business continued its focus on its strategic priorities. We thus continued to balance our portfolio of contracts in terms of customers and contract types, as well as geographically, to reflect the market's move towards the south and the east.

We also invested in our people, our technologies, project management expertise and construction supervision capability during the year. With regard to construction supervision, Technip set up a construction hub in Abu Dhabi in 2009, followed by the establishment of two joint ventures with construction sub-contractors in 2010 as part of our move towards a more integrated engineering, procurement and construction (EPC) model.



/// At the peak of construction, up to 70,000 people worked under Technip supervision on the Qatar mega-projects!

### A PIVOTAL YEAR

2010 was a year of accomplishment for the Onshore segment, which saw completion of most of the mega-projects begun several years earlier in Qatar, Saudi Arabia, Yemen, Poland and Vietnam. All of these ambitious achievements involved demanding challenges in terms of technologies, project management and construction supervision, which we successfully overcame. A number of new contracts were also signed during the year in Qatar, Algeria..., marking out a new Onshore landscape for Technip.

**€ 2,577** million  
2010 revenues

## Onshore



### Samik Mukherjee

Vice-President Onshore Business Unit,  
Africa and India

#### COULD YOU BEGIN BY INTRODUCING US TO THE ALGIERS REFINERY PROJECT?

This project involves the rehabilitation and upgrading of the refinery operated by Sonatrach in Algiers. On completion, it will increase refinery capacity by 35% and enable production of gasoline products compliant with European standards. A number of process units will be added, as well as new tank farm, power generating plant, utilities and offsites. Technip's responsibilities cover the whole engineering, procurement and construction scope. The project was launched in January 2011 and will run for 38 months.

#### WHAT ARE ITS SPECIFIC CHALLENGES?

The availability of local skilled construction resources and tight scheduling of this project are the main challenges. In addition, some of the licensed process units will be installed for the first time in Algeria, which means that the provision of comprehensive training for our client's operations team will be a key factor for project success.

#### WHAT IS THE POTENTIAL FOR TECHNIP TO GROW IN NORTH AFRICA?

North Africa in general, and Algeria in particular, is a very dynamic market for oil and gas developments. Sonatrach has been massively investing here in recent years, and plans further significant investments in the upstream segment over the next three years. The Algiers refinery project will give Technip the opportunity to gain a better understanding of the key aspects of executing a major project in this country and will therefore act as an excellent springboard to secure new contracts.

**€4,986** million  
Backlog at end 2010

### SUSTAINED ACTIVITY FOR OUR BUSINESS UNITS

In its Onshore markets, Technip is involved in major projects with high levels of technological input, and 2010 was an active year in all of its areas of business.

#### NATURAL GAS MAJOR PROJECTS AND NEW CHALLENGES

In the Middle East, the major liquefied natural gas (LNG) projects awarded between 2004 and 2006 were delivered to the respective clients in 2010. The second and final LNG train for the YLNG project in Yemen was completed during the first half of the year. At the end of the year, we also finished work on the last LNG trains for the Qatargas 3 and 4 project in Qatar, and the Khursaniyah gas complex in Saudi Arabia for Saudi Aramco (see opening picture of the chapter). In February, Technip, as leader in a joint venture with Chiyoda, was awarded a new EPC contract by Qatargas for the Plateau Maintenance Project (PMP) at Ras Laffan, Qatar.

In China, the project to design and construct a natural gas liquefaction unit at Yinchuan (Ningxia province) for Ningxia Hanas progressed on schedule.

Contracts for new types of design work were secured in 2010, including a gas-to-liquids project (for converting natural gas into liquid fuel) in Uzbekistan in March.

#### REFINING CONFIRMED LEADERSHIP IN A KEY SECTOR

In 2010, Technip successfully commissioned the crude oil distillation unit at the Corinth refinery in Greece for Motor Oil Hellas, the Dung Quat refinery in Vietnam, and several units at the Plock refin-

ery in Poland for PKN Orlen. Construction continued on the Jubail refinery for SATORP (a joint venture between Total and Saudi Aramco) in Saudi Arabia. We also began front-end engineering design work for the Cienfuegos refinery in Cuba.

In 2010, we also won a major contract to expand capacity at the Algiers refinery operated by Sonatrach in Algeria (see interview). We will also contribute to the hydrocracker expansion project at the Total refinery in Normandy (France), and provide design and procurement services for a residue hydrocracker for Lukoil in Bulgaria.

#### HYDROGEN A DYNAMIC MARKET WITH GOOD PROSPECTS

Our alliance with Air Products continued to bear fruit in 2010, with two contracts for hydrogen production units: one in Rotterdam (The Netherlands) and the other in Luling, Louisiana. Technip was also awarded two contracts by the Valero Group for two of their US refineries. In India, the Group was chosen to construct a petrochemical fluid catalytic cracking unit.

In research and development, the recently developed post reforming technology became a reality with the signature of contracts for two projects. During the year, Technip and Air Products continued their joint research efforts to reduce steam reforming costs and develop carbon dioxide (CO<sub>2</sub>) capture and storage solutions.

#### ETHYLENE INNOVATIVE TECHNOLOGIES TO BE LAUNCHED IN 2011

In 2010, Technip commissioned the RLOC ethylene complex in Ras Laffan, Qatar, the third Technip-designed very large capacity (1.3 million metric tons

# 6.7%

Operating margin in 2010



/// In 2010, Technip completed and handed over Vietnam's first refinery (Dung Quat).

per year and above) ethylene unit to go into operation in the Middle East since 2008. Dow and Aramco awarded Technip a contract for the design of a 1.5 million metric ton capacity ethylene plant producing also 5 hundred thousand tons of propylene in Saudi Arabia. To maintain our positions in the ethylene market in general and in cracking furnaces in particular, starting in 2011, we will market a series of innovative technologies that enable higher performance, including a new furnace arrangement (GK7) and swirl flow tubes.

## **PETROCHEMICALS AND FERTILIZERS A NEW WAVE OF PROJECTS**

In petrochemicals, Technip was awarded a major contract in 2010 for the construction of an integrated vinyls complex in Russia. We also consolidated our leadership in the polyethylene market, which has been built thanks to our technological alliance with Ineos and the design of a large number of units in China, India, Russia and Latin America. Improving economic conditions and the beginning of an upturn in the petrochemicals in-

## **ENERGY: THE CORE OF OUR BUSINESS**

Although our core business is oil and gas, our involvement in the energy industry is wider. In 2010, we continued to develop our offer in the renewable energy and nuclear markets.

### **Biofuels and renewable energies**

In the biofuels sector, the largest renewable diesel production unit in the world, built by Technip for Neste Oil in Singapore, went into operation in 2010. A second unit will be commissioned in the first half of 2011 in Rotterdam (The Netherlands).

In marine energy, Technip is a leading player in the offshore wind market, which offers excellent growth prospects in particular in the North Sea. In 2010, we designed an offshore wind turbine capable of operating in Arctic environments for SHT and launched the Vertiwind project to develop a vertical axis floating wind turbine.

In biomass, Technip signed a cooperation agreement with ALterNRG in 2010, under the terms of which the two companies will work together on projects designed to generate energy from waste, in the USA.

Lastly, within the framework of our partnership with Mannvit, we worked on four geothermal project design studies for American clients during 2010.

### **Nuclear**

Technip is involved at several stages of the nuclear industry chain, from mining (upstream) to chemistry and reprocessing (downstream). In 2010, TSU Projects, a jointly-owned subsidiary of Technip and SGN (Areva Group), worked on the Imouraren project, the largest mining industry project in Niger. The year also marked the beginning of cooperation with leading global industry players on a number of different consultancy missions, focusing initially on project management and control. Within the Group, a new Nuclear, Defense and Mining and Metals Department was created at the beginning of 2011 to coordinate Group commercial initiatives in these market sectors.

dustry cycle should contribute to a new wave of projects in the Middle East and Asia during 2011.

In fertilizers, many nitric acid and phosphoric acid production unit projects resumed last year. In 2010, Technip conducted feasibility studies for new phosphate complexes in Saudi Arabia and Africa, with implementation planned for 2011. Other projects for ammonia and urea units that were launched in 2010 could also move forward in 2011.

# MESSAGE FROM THE CHAIRMAN OF THE SUSTAINABLE DEVELOPMENT COMMITTEE

## STAKEHOLDERS

**HUMAN RESOURCES**  
**LOCAL COMMUNITIES**  
**BUSINESS STAKEHOLDERS**

## HSE

**HEALTH, SAFETY AND SECURITY**  
**ENVIRONMENT**

## INDICATORS





# A SUSTAINABLE COMMITMENT

## OUR RESPONSIBLE APPROACH IS A SOURCE OF PROGRESS FOR TECHNIP AND ITS STAKEHOLDERS

**Amran Ahmad**  
Chairman of  
the Sustainable  
Development  
Committee



### **What are the challenges facing Technip in terms of sustainable development?**

Our job is to support our clients and their projects, which aim is to satisfy the world's energy needs in a sustainable way. It is our day-to-day task to address the issues surrounding energy resource management, project profitability, the well-being of people and the environmental impact of what we do. The challenges of sustainable development are thus clearly at the very core of our business.

To be more specific, when it comes to human resources, the major challenge for Technip is to enable every one of its people to achieve his/her maximum potential in order to deliver a high level of performance to our clients. In terms of people protection, our priority is the active promotion of excellence in health, safety and security. Our environmental challenge is to reduce the footprint of our own business and that of our clients by offering them technological solutions which minimize the carbon dioxide emissions of their installations and by promoting renewable energies. In terms of local communities, we are committed to contributing to the economic and social balance of the regions in which we work, with a particular focus on the creation of sustainable local employment. Lastly, our economic challenges are to improve our operational performance, as well as to accurately forecast the future needs of our industry and associate our economic partners with our own development.

Sustainable development is a source of progress for all our stakeholders. In our increasingly-competitive business environment, it also acts as a valuable driver of innovation and gives Technip a crucial competitive edge. Our responsible approach goes hand-in-hand with commercial success!

**What kind of organizational structure have you put in place to promote sustainable development within the Group?**

Technip has been committed to a strong and widely recognized policy of corporate social responsibility for more than ten years. In 2003, the Group became a signatory of the United Nations Global Compact on human rights, working standards, environmental standards and anti-corruption, and applies its ten principles to every aspect of its business.

The Sustainable Development Committee that I chair monitors all actions undertaken by Technip in this area and is the body responsible for the preparation of this report. The Committee is composed of eight members representing the various Group divisions and met eight times in 2010. It coordinates our global sustainable development strategy and submits its recommendations to the Group Executive Committee. A regional structure supported by a network of around 100 local company representatives deploys initiatives at local level and contributes to team motivation and involvement.

**How do you evaluate your performance?**

Internally, we gather sustainable development data on an annual basis using a worldwide IT system. All of our local representatives contribute to this reporting process, which is consolidated at Group level. The resulting indicators are published in our Reference Document and in this report, which is prepared in accordance with the standards set out by the Global Reporting Initiative (GRI G3).

Our policy and performance have also received recognition outside the Group. For the ninth consecutive year, the Technip share was selected in 2010 for inclusion in the European and World DJSI sustainable development indexes.

**What progress was made during 2010 on the two priority areas identified at the beginning of the year: the environment and local communities?**

In environmental protection, Technip has, for example, signed a contract with five international oil companies to design an emergency response system to contain potential oil leaks resulting from accidents involving deep water wells. In renewable energy, we have completed work on a renewable diesel production unit in Singapore for Neste Oil and initiated a research and development program focusing on a new concept of an offshore wind turbine with a vertical axis.

In terms of local communities, in 2010 we have undertaken numerous solidarity initiatives in

36 countries across the globe. It testifies of our willingness to ensure that our business contributes to local development and of the commitment of our people in the field.

**What are your priorities for 2011?**

We will continue to promote our efforts in favor of the environment and local communities, where we still have work to do. Safety will continue to be a central issue, and our attentions will focus on further implementation of the Pulse program to promote HSE culture within the Group. We will also concentrate on the need for responsible management of our human resources because, as an engineering company, Technip understands that its people are its most important asset.

Our goal is to increasingly integrate all dimensions of sustainable development into each of our projects, just as we have done in the design and construction of our new flexible pipe plant in Malaysia.

# LISTENING TO OUR STAKEHOLDERS

A photograph of three people in a professional setting. In the foreground, a man in a white and red plaid shirt is looking down at a document on a table. Behind him, a woman is also looking at the document. To the right, a man in a light blue button-down shirt and glasses is looking towards the camera with a slight smile. They are in a room with a window in the background showing a view of trees and a building. A green plant is visible behind the man in the blue shirt.

Technip's commitment to sustainable development applies equally to all of its stakeholders, from employees to local communities and economic partners. Understanding their expectations, maintaining a healthy dialogue and offering practical solutions that deliver real satisfaction: these are our commitments.

As part of taking our dialogue with stakeholders further, we hope you will share your views on this report by contacting us at: [sustainabledevelopment@technip.com](mailto:sustainabledevelopment@technip.com)



# HUMAN RESOURCES



# A WORLD OF TALENT

It is the expertise and commitment of our multicultural teams that have allowed us to secure our market-leading position in the energy industry. Our human resources (HR) strategy aims to continuously develop the skills of our 23,000 people, regardless of their origins, to their maximum potential so that we can deliver projects with the highest-possible level of performance.

## DEVELOPING TALENTS

In 2010, Technip further strengthened its policy of identifying and providing effective talent management.

## RECOGNIZING SKILLS AHEAD OF TOMORROW'S NEEDS

We see the leaders of tomorrow as coming from a broad range of backgrounds reflecting the diversity of our clients and the regions of the world in which we operate. Consistent with the model developed by the Group's executive management to define the skills Technip needs in order to consolidate its leadership, they will share one key trait: the ability to work in multi-disciplinary, multi-local teams.

In 2010, corporate, regional and local management teams became more deeply involved in the development of the Group's talents, both managerial and technological. The people review process introduced in 2008 has been extended to cover all Group entities and now forms an integral part of HR culture. During the year, the personal development plans and career prospects of 3,000 people were assessed by nearly 500 managers. These reviews allowed the

Group to identify several hundred potential leaders representing all the nationalities employed by Technip.

Our support functions and our three core business segments of Subsea, Offshore and Onshore are now responsible for the functional aspects of their own human resources development in coordination with the Regions and local entities. The managers are supported at Group level by a dedicated Talent Management team. In 2010, more than 1,000 high-potential individuals benefited from personal supervision to increase their profile within the Group.

## MOBILITY: A SCHOOL FOR LEADERSHIP

Mobility is a key to developing our talents, because it presents them with new challenges and the opportunity to discover new skills. A "non-conventional" approach to mobility in which an employee is simultaneously exposed to two out of the three main types of mobility (geographic, functional and segmental) was applied in 2010 to accelerate the career development of around 100 people, and to prepare them to take up key responsibilities requiring in-depth experience of Technip functions and areas of expertise.



/// Technip applies an active talent management and training policy designed to develop the skills of its people and help them achieve their maximum potential.

# 23,000

people\* in 48 countries

\* payroll employees and contracted personnel at plants, yard and fleet

## A BROAD-BASED SOCIAL DIALOGUE

In 2010, 37 new collective bargaining agreements were signed covering issues such as working hours, training, working conditions, equal opportunities, health, hygiene and safety. The 158 agreements now in force reflect the importance and effectiveness of social dialogue within the Group. The European Works Council, established in 2005, meets twice each year and brings together 15 employee representatives from 10 European countries.



### Kasuma Satria Matjadi

Vice President, Group Sourcing and Recruiting

#### TELL US ABOUT YOUR CAREER AT TECHNIP.

I joined Technip in 2006 as Corporate Project Manager before moving to human resources in the Asia Pacific Region. I moved to Paris in 2010 to take up my current role as Vice President, Group Sourcing and Recruiting.

#### WHAT RECRUITMENT-RELATED PROJECTS IS THE GROUP WORKING ON?

We are currently working on the creation of a single online recruiting portal that will replace all of the recruitment websites operated by Group entities and will be linked to our internal mobility website. Our goal here is to raise the profile of our "employer brand" in order to make Technip more attractive to the most highly-qualified people, at the same time as developing and moving talent across the Group.

#### WHAT RETENTION MEASURES HAVE BEEN PUT IN PLACE?

Before you can act to make sure that someone stays with the Group, you first have to know that he/she is thinking of leaving. Halfway through 2010, we introduced a retention system as part of our HRWB project. This enables managers to alert human resources departments when they identify any signs of discontent or a change of attitude in a key employee. Losing an employee is always a failure! This early-warning system allows us to take action before it is too late. Naturally, we also have a number of more traditional loyalty initiatives to reward results, such as performance shares.

**104** nationalities  
represented in the Group

At the beginning of 2010, an intranet portal was launched to advertise all job vacancies, promote mobility and ensure total transparency of employment opportunities.

#### BUILDING KNOWLEDGE AND SKILLS

Technip's human resources strategy also relies on training and skills development for everyone in the Group, over their entire career. Technip University, the Group's training organization, celebrated its second anniversary and delivered 24,000 hours of training to 1,800 employees in 2010.

#### TRAINING PROGRAMS TAILORED TO THE NEEDS OF THE GROUP AND ITS PEOPLE

Overseen by a new steering committee set up in 2010 and comprising Group senior executives, Technip University creates training programs in line with our needs as a business and the evolution of our industry. The University works hand-in-hand with other Group-level initiatives (such as Pulse) and at regional level in order to create synergies.

The programs offered by Technip University are now an integral part of the learning and development opportunities offered to Group employees. In this way, the new "Project Management Academy" helps the project managers of today and tomorrow not only to learn the basics, but also to discover and discuss international best practices.

/// Diversity is a decisive strength for Technip.



**12** entities  
with at least 20 different  
nationalities

Since the beginning of 2011, new hires have benefited from the “Technip Onboarding” program integrated into regional and local induction programs. This new program includes an online training module that familiarizes newcomers with the basics of the oil and gas industry thus contributing to the development of a shared knowledge base and single corporate culture.

#### PROMOTING DIVERSITY

Since our markets are international and our clients multinational, diversity is our strength. In 2010, the first international online diversity training program was launched by the Group Diversity Department in coordination with Technip University. The program reminds trainees that diversity is one of our key values and requires us to offer all employees of equivalent capability the same career development opportunities, regardless of gender or ethnic origin. By raising awareness and giving examples of good practices, this training initiative promotes the kind of behavior that supports diversity and multicultural teamwork.

In addition, each year Technip University combines diversity and leadership through the “Technip Leading Edge” program. This training, which targets talents from every Region of the Group, aims to develop the skills required for Technip’s future leaders, while at the same time promoting a strategic vision and shared values.

## HARMONIZED MANAGEMENT OF HR PROCESSES

The success of Technip’s human resources strategy requires a common approach and resources for every Region and entity.

To make this happen, we launched our ambitious HRWB (Human Resources Without Borders) program in 2009 with five key goals: to identify every job, to evaluate performance on the basis of shared standards, to formalize career reviews and succession plans, to retain key talent and to encourage all types of mobility.

Since this project was launched, very significant progress has been made in each of these areas thanks to our human resources information system known as HRWeB, which can be accessed by all employees through the Group intranet. 92% of all 2010 annual appraisals were conducted using this system, thereby ensuring that everyone was assessed based on the same criteria. It is our aim to extend these appraisals to include 100% of the Group’s workforce to further strengthen equal opportunity.

80% of Group jobs were mapped in 2010. The remaining 20% will be studied in 2011, after which the entire map will be published to allow all employees to feel



recognized and to position themselves not only into their own entity but also into the Group as a whole.

The standardization of career reviews and the new Talent Management organization presented in that chapter are helping us to improve the breadth and quality of our succession plans, which extend to the highest level of the Group.

Lastly, we also made substantial progress in employee retention and mobility over the year (see interview).

# LOCAL COMMUNITIES



# A FAIR RETURN FOR ALL

Wherever we conduct business, we ensure that local communities reap economic and social benefits from our projects. We also undertake solidarity initiatives to support local populations.

## INCREASING THE LOCAL CONTENT OF OUR PROJECTS

It is essential that we become an integral part of the local economic landscape, not only to support our clients, who are seeking increasingly to ensure that their businesses contribute to local development, but also to ensure project success by involving local people.

## ENERGIZING THE LOCAL ECONOMY

Our presence in 48 countries, our production assets on every continent and our extensive network of suppliers together give us the capability to undertake projects involving a very high level of local content, thereby linking host country economies with our own growth. For example, in delivering the P-56 semi-submersible platform to Petrobras in Brazil, Technip exceeded its contractual target of 60% local content by around 10%. Also in 2010, we completed the process of increasing capacity at our Angoflex umbilicals production plant in Lobito, Angola, a plant jointly owned with the national oil company Sonangol. This expansion will enable us to produce 100% of the umbilicals required for Total's CLOV project.

Whenever possible, we involve local suppliers and sub-contractors in our projects. In France, Technip is a signatory of the "Pacte PME" initiative through which we contribute to the growth of innovative small and medium-sized companies by including them in our supplier base. In 2010, we also extended our evaluation and qualification program for equipment suppliers in emerging countries such as China and India, in order to increase their share in equipment purchases, while at the same time making our projects more competitive.

Our projects are drivers for local economies. Their execution can involve up to tens of thousands of people; whether its housing or medical clinics, these project infrastructures invigorate local business: shops, hotels, transportation and catering.

**69%**  
of Technip recruitment  
is in non-OECD countries



/// Technip's local employment policy is built upon the transfer of skills between Group centers.

## Local Communities



**Abdullah Karim**, HR Manager  
**Wui Lim Liew**, QHSE Manager at  
 Asiaflex Products

### IN WHAT WAYS DOES ASIAFLEX CONTRIBUTE TO INCREASING LOCAL CONTENT ON TECHNIP PROJECTS?

Our flexible pipe and umbilicals plant is, of course, an essential component of our long-term presence in Malaysia and our expansion into the fast-growing markets of Asia Pacific and the Middle East. But this plant will also contribute to national economic growth and the transfer of skills to local talent. As part of that contribution, 40 of our people received training in other Group production centers before the plant entered the production phase.

### HAVE YOU CARRIED OUT ANY INITIATIVES IN FAVOR OF THE LOCAL POPULATION?

Yes, when the plant was officially opened in November 2010, we made a donation to the MyKasih Foundation, which helps needy families in the State of Johor. Every fortnight for two years, 50 households in Pasir Gudang village will receive an allocation enabling them to buy basic essentials.

### DO YOU UNDERTAKE ANY OTHER TYPES OF INITIATIVES TO PROMOTE SUSTAINABLE DEVELOPMENT?

We attach great importance to the environment. For example, manufacturing workshops utilize translucent skylight and wall claddings to reduce dependency on artificial lighting. Their external walls are constructed from aerated concrete bricks to reduce dependence on air conditioning. The water required to test our flexible pipes is reused within a closed-loop system and the plant sorts all its waste. In terms of safety, we have implemented the Pulse program and, as a result, we completed construction of the plant with no lost-time incidents whatsoever in 1.8 million man-hours worked.

Initiatives in favor of local communities in **36** countries in 2010

### PROMOTING LOCAL EMPLOYMENT AND SKILLS TRANSFER

Technip plays a key role as a local employer by giving priority to on-site hiring. For example, 90% of employees working in our Asiaflex Products plant are Malaysian, and 100% of our Dande spoolbase workforce in Angola is Angolan. Our sponsorship of a careers forum in Luanda in 2010 gave us the opportunity to meet young Angolan graduates, further boosting our recruitment potential in this country. This “act local” policy strengthens the multicultural identity of Technip and contributes to building an international Group with a strong local presence.

Our local employment policy is based on the transfer of skills between Group operating centers and the training of local talents. In 2010, Technip pressed ahead with the development of its tension leg platform concept at its Houston (Texas) center, using the “Integrated Platform for Analysis and Design” workflow to transfer this technology to its office in Kuala Lumpur (Malaysia). In the Middle East, Technip is involved in training Emirati engineers by offering employees of the region’s oil and gas companies the opportunity to share the experience of the Group’s engineers for periods of six to nine months.

In almost every area of the world, Technip is working to encourage the emergence of a new generation of oil and gas professionals by introducing its business and activities to students and sponsoring their studies. In 2010, in cooperation with the Tuck Foundation, we began sponsorship of 20 students from Brazil, India, Malaysia, Saudi Arabia, Russia and France, who participate in a 16-month course at the IFP School, a French engineering school. They receive financial support,

benefit from internships at Technip and will be given priority to join the Group upon graduation.

### BUILDING CLOSE RELATIONSHIPS WITH LOCAL COMMUNITIES

For Technip and its clients, getting the support of local people is an integral component of project success. We are strongly committed to respecting local cultures and work continually to improve the well-being of communities.

Since knowledge of local people and their expectations is essential, our approach is one of dialogue and consideration. We are also committed to transparent communication regarding all of our projects and their logistical aspects. For the Dung Quat project (Vietnam’s first oil refinery), which began production in 2010, Technip implemented a Community Liaison Program as the interface between the project team and local populations and authorities. This program coordinated the implementation of a series of joint initiatives, including the establishment of a welding school, road safety improvements around the site and an experiment regarding the diversification of local agriculture.

### IMPROVING THE WELL-BEING OF LOCAL COMMUNITIES

The health checks offered to Technip employees working on its construction sites have been extended to include sub-contractor personnel thus allowing improved access to healthcare and enabling the identification of any medical issues that could potentially cause accidents.

In and around its project sites (see inset for the Jubilee project example) and operating centers,



/// The Dung Quat project team in Vietnam set up a program to interface with the local authorities and community.

Technip conducts preventive initiatives and awareness campaigns to alert local communities to public health issues. Our Colombian subsidiary, Tipiel, has introduced a program to assist homeless people living in its vicinity. In 2010, Tipiel worked with the Suramericana Foundation to organize a special healthcare day during which free medical consultations, vaccinations and medication were distributed.

Other health-related initiatives are regularly carried out by the Group, such as support for medical research (cancer research in Australia and Abu Dhabi) and disabled people in France and the United Kingdom. In Italy, Technip worked with a Rome hospital in 2010 to organize a one-day blood donor session attended by numerous employees and a bottle cap collection to raise money for disabled people. In India, a team of Technip volunteers helped out for a day in the Vandalur dispensary, which provides free medical and social services for underprivileged members of the community.

#### **SUPPORTING SOLIDARITY INITIATIVES**

Technip employees are passionate about their jobs and generous in their actions, and the Group encourages and supports this sense of solidarity.

At the four corners of the globe, Technip backs a wide range of humanitarian causes, with particular emphasis on disaster relief, child welfare and the promotion of social equality. In 2010, we undertook solidarity initiatives in 36 countries. Here are just a few examples: in China, Technip organized a fundraising campaign to help earthquake victims in Qinghai province, coordinated an anti-drug program in Finnish schools, held a charity run to help fund a library in Costa Rica and hosted a beach clean-up operation at Sunset Beach in California.

## **LOCAL CONTENT AND SOLIDARITY IN GHANA**

Technip completed the Jubilee Subsea project for Tullow Oil in December 2010.

The Jubilee project is an excellent example of successful skills transfer and close collaboration between the Technip centers in Houston and Paris and the Ghanaian teams. It also generated a series of initiatives in support of local communities.

Since the project began in April 2009, 15 Ghanaian engineers have been trained in the Houston and Paris centers before returning to work in Ghana. In 2010, the project team was also involved in the distribution of

3,000 insecticide-impregnated mosquito nets to students in five schools of the Sekondi-Takoradi region in an effort to prevent malaria. Lastly, the project also donated construction materials to help the community of Essikado reconstruct its nursery school.

# BUSINESS STAKEHOLDERS



# CREATING AND SHARING VALUE

In terms of economic responsibility, our primary concern is to complete our projects profitably in order to ensure our continued growth and maintain employment for our people, while meeting the expectations of our different economic partners. Delivering quality installations to our clients at the best-possible cost, sharing our profitability with our shareholders and creating market opportunities for our sub-contractors while including them in our sustainable development policy... all are our everyday priorities.

## ENSURING A HIGH LEVEL OF OPERATIONAL EFFICIENCY FOR OUR CLIENTS

Technip is committed to creating value for its oil and gas company clients by providing high-quality services and delivering high-performance installations that include significant local content.

### A PERMANENT FOCUS ON CLIENT SATISFACTION

We are totally committed to quality, as shown by the rigorous methodology applied consistently in each of our actions. All of the Group's operating centers have adopted the process of securing ISO 9001 certification for their quality management systems, and our centers in Angola, Malaysia and Greece were certified in 2010. As part of improving the operational efficiency of project management processes, Technip is also implementing a Group-wide initiative built around the ISO 10006 standard.

In addition, an evaluation process measures the quality of projects carried out by Technip in the nine areas of: HSE (health, safety and environment), project delivery, client relations, documentation, scheduling, costs, resources, contract management and installation performance. Conducted at different stages of the project on the basis of survey questionnaires, this evaluation helps us to understand client expectations and identify potential improvements. More than 180 such surveys were conducted in 2010; slightly more than in 2009. Their results show a high level of satisfaction equivalent to that reported for 2009, especially in HSE, client relations and installation performance.



/// In October 2010, Technip hosted a tour of its Le Trait flexible pipe plant to give its shareholders a clearer understanding of its Subsea business.

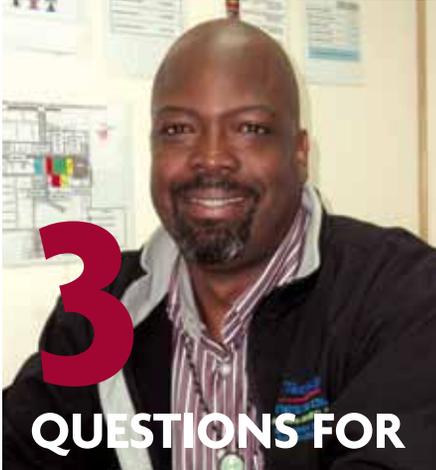
As part of further improving our competitiveness, future improvements will focus mainly on costs and scheduling. Technip introduced for this purpose a program based on Lean (focus on cost and schedule improvement by reducing wastes) and Six Sigma (focus on quality by reducing defect rate) at the end of 2010.

### A SUSTAINABLE AND LOCAL APPROACH TO PROJECTS

With a presence in 48 countries, proximity to our clients is a priority. This multi-local organization allows us to support client policies to increase the local content of their projects and ensure that local communities benefit from the economic effects of our activities.

More than **180**  
client satisfaction surveys  
conducted in 2010

## Business Stakeholders



**Colin Alexis**, HSE Director - Jubail refinery (Saudi Arabia)

### IS SUSTAINABLE DEVELOPMENT AN IMPORTANT ISSUE AT THE PROJECT LEVEL?

Absolutely! It is in the context of our projects that sustainable development commitments are put into practical action. For example, we are very careful to reduce the environmental impact of the construction stage by limiting greenhouse gas emissions and protecting the natural environment.

### HOW CAN YOU BE CERTAIN THAT THE STANDARDS APPLIED BY YOUR SUB-CONTRACTORS ARE CONSISTENT WITH YOUR OWN?

Firstly, by confirming that they share our values at the selection stage. Their practices, particularly regarding HSE, are all taken into account when selecting them. Secondly, by being absolutely clear about what we expect from them in terms of sustainable development, starting from the definition of contract scope. On the Jubail project, for example, the contracts drawn up for the sub-contract construction of on-site living quarters already cover facilities dedicated to team well-being: personal space, leisure facilities and Internet access.

### HOW ARE SUSTAINABLE DEVELOPMENT ISSUES MANAGED ON A DAY-TO-DAY BASIS?

On-site, each individual is accountable and can make its own contribution. That is why we have elected Sustainable Development Representatives who are able to discuss these issues with supervisors. A Health and Safety Manager is also in place to provide supervision of the quality of food, water and accommodation supplied. We also agreed with our sub-contractors that a portion equivalent of 5% of their contract value is paid only depending on the accommodation conditions experienced by their workers, their safety procedures, their waste management practices and the training they offer.

**€ 620 million**  
Operating income in 2010



/// Technip uses construction sub-contractors on its Onshore construction sites.

## INVOLVING OUR SUB-CONTRACTORS IN OUR APPROACH TO SUSTAINABLE DEVELOPMENT

Technip rarely works alone when delivering a project. We call upon suppliers to provide certain types of equipment, and construction sub-contractors for the manpower on our Onshore project sites. An integrated approach and close working relationships are therefore both a necessity and benefit to all stakeholders.

### SUSTAINABLE PROCUREMENT

In addition to economic and technical performance data, we also take into account sustainable

development criteria when selecting equipment suppliers to join our database of approved suppliers. Project performance, quality and HSE management, technical and industrial capability, financial health and structure, as well as compliance with Technip values are among the main selection criteria. From 2011 onwards, data on the greenhouse gas emissions generated as a result of equipment transportation will also be taken into account when making technical and commercial comparisons. Technip places great importance on the alignment of its suppliers with its own sustainable values and standards. Since 2006, references to Technip values and its membership in the United Nations Global Compact have been incorporated into the Group's general purchasing terms and conditions and charters. Regular audits are conducted to

**€1.45**  
dividend per share  
paid in 2011

ensure compliance with all these values. For example, as part of ensuring SA 8000 compliance in Italy, Technip makes its suppliers aware of the social responsibilities involved and audits their compliance. First introduced in 2009, this initiative focused initially on human rights and working conditions and was extended in 2010 to cover communities and environmental issues (mainly energy consumption).

In cooperation with its clients, the Group develops procurement policies designed to increase the local content of projects with locally-available industrial capacity and human resources. With this goal in mind, together with the associated objective of reducing procurement costs, Technip launched a program in 2010 to qualify more suppliers from emerging countries. To extend this initiative, a series of meetings were held with suppliers in China at the beginning of 2011 to discuss best practices in HSE.

Lastly, our responsible procurement policy also takes special heed of compliance to ethical standards. Technip buyers are trained in recognizing the corruption risks they may potentially encounter in doing their jobs, and will be among the first to receive training in 2011 as part of the major ethics awareness campaign to be conducted throughout the Group.

#### **MAKING CONSTRUCTION SUB-CONTRACTORS ACCOUNTABLE**

As is the case with equipment suppliers, sustainable development and ethical criteria are also applied when selecting and evaluating our construction sub-contractors, whose practices in both these areas are inspected regularly across every project. In terms of ethics, for example, construction companies must comply with our “know your partner”

standard by completing a questionnaire and supplying all the supporting documentation required to confirm their honesty and integrity. To ensure that the standards of our construction sub-contractors are consistent with our own, we organize training sessions involving sub-contractor employees alongside Technip project teams, notably as part of the Group's Pulse program designed to promote HSE culture and improve safety performance.

In addition, depending on the nature of a project and the requirements of its clients, Technip uses construction sub-contractors that employ local manpower and encourages their initiatives to improve conditions for local communities and the

environment. For example, a Korean construction sub-contractor working for Technip has undertaken a beach cleaning initiative in the framework of the Koniambo mining project in New Caledonia.

At Group level, Technip construction operations are moving towards a more integrated and accountable EPC (engineering, procurement, construction) model, including the establishment of a construction development center in Abu Dhabi (United Arab Emirates) to improve its construction supervision methodology and capabilities.

## **SHARING THE BENEFITS OF GROWTH WITH OUR SHAREHOLDERS**

Technip encourages the provision of a fair return for all its stakeholders and takes care to share the benefits of its growth with its shareholders. On this basis, Technip's Board of Directors has proposed that the Annual General Meeting of shareholders of April 28, 2011 approve a dividend of €1.45 per share, a 7.4% increase over 2010.

The relationship between Technip and its shareholders is built on transparency and proximity. As soon as a major contract is won, as soon as a strategic investment is decided, Technip informs its shareholders. In 2010, beyond the publication of 53 press releases, we met with close to 500 people in Lyon, and began a program of inviting individual shareholders to visit our flexible pipe plant at Le Trait in France. In 2011, we will also be hosting a series of topic-specific conferences in Paris. The first of these, held in January and covering our subsea operations, was a great success.

In 2010, Technip also continued to provide its institutional investors with information regarding its strategy, operations and financial results, and in particular through meetings with close to 850 of them both individually and during road shows, in addition to the organization of a tour of the Le Trait plant.

# HSE : PROTECTING PEOPLE, PRESERVING THE PLANET





“I want Technip to become the reference company in health, safety, and environment (HSE).” This quotation from Technip Chairman and Chief Executive Officer Thierry Pilenko sets the tone of our policy to protect people and safeguard the planet through a continual quest for excellence and a commitment actioned by everyone at every level in the organization.

# HEALTH, SAFETY AND SECURITY



# PROTECTING PEOPLE, OUR PRIORITY

On our project sites, in our offices, at our manufacturing facilities and onboard our vessels, our priority is to create a safe environment for all our employees, clients and sub-contractors.

## SAFETY: A CORE VALUE AT TECHNIP

In 2010, tens of thousands of people worked a total of 188 million man-hours in our facilities and on our project sites worldwide. The total recordable incident frequency rate (total number of recordable events per 200,000 hours worked) has fallen substantially in recent years, and reached a plateau in 2010 at 0.22. Despite this good overall performance, we are saddened by the occurrence of two fatal accidents in 2010 during our operations.

## CHALLENGING OUR APPROACH TO IMPROVE PERFORMANCE

We continue to challenge our approach to health, safety and environment (HSE) management and look to innovative ways to improve performance and set the benchmark for our industry.

Since the process of improving these results starts with a clear statement of safety rules, we revised and reissued HSE policy in 2010. Backed by the commitment of the Group senior management team, this confirms Technip's pledge to achieve HSE excellence in every part of its business and to involve every employee and business partner as a proactive contributor to achieving this goal.

As part of developing a positive HSE culture at every level in its organization, Technip continued to implement its Pulse HSE Leadership program during the year. This program is based on creating awareness of the challenges posed by safety and of the human, material and financial consequences of accidents, and highlights the need for a personal commitment (see interview).

Many project reviews focusing solely on HSE were also conducted in 2010 by the Group HSE



/// In April 2010, Technip management rewarded two Group projects for their safety performance: the construction of our new Asiaflex Products plant and the Grupa Lotos refinery in Gdansk.

function. These reviews considered the scope, organization and implementation of safety processes and HSE issues at every phase of the project life cycle, challenged our teams and provided effective monitoring of personal commitments made during Pulse project sessions.

Lastly, the reporting and analysis of incident data plus the review of our processes enabled us to identify areas for improvement during 2010. These items are being developed under an "HSE Accelerators" program which includes HSE risk management, the supervision of sub-contractors and development of a communication plan for HSE, all of which will be implemented in 2011.

A total recordable  
incident frequency  
rate of

**0.22** in 2010

## Health, Safety and Security



### 3 QUESTIONS FOR

**Ann Mc Gregor**, Director HSE Group, responsible for the Pulse program

#### WHAT IS THE PULSE PROGRAM?

The aim of the Pulse program is to promote an HSE climate change within the Group in order to achieve the highest level of safety culture and performance. Introduced in 2007, the program is structured around a series of components designed to change perceptions and behavior: an HSE climate survey that provided the starting point for the program, Pulse workshop sessions to develop HSE leadership, "Manager and Supervisor" training sessions and "Site Supervision" training.

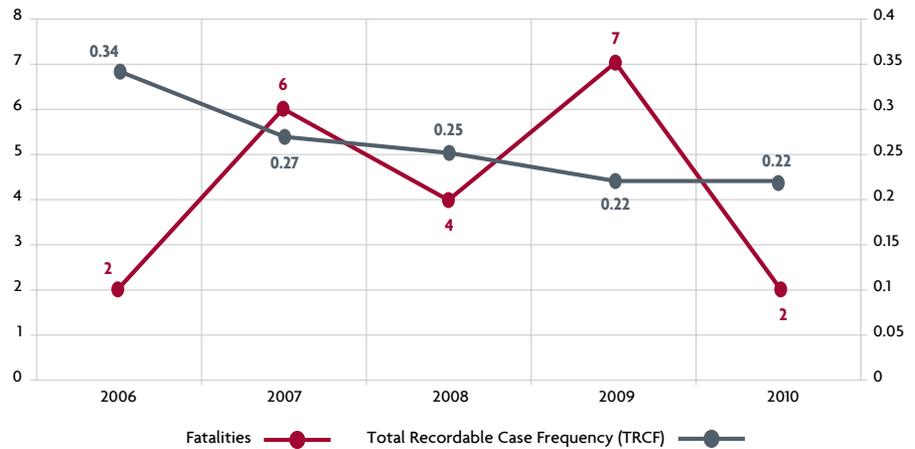
#### WHAT IS YOUR INITIAL ASSESSMENT OF PROGRESS SO FAR?

The Pulse program is progressing within the Group and being introduced on a widespread basis for all our sub-contractors - and even our clients - as part of helping us to achieve our goal of HSE excellence. Around 2,500 employees have so far taken part in Pulse sessions, more than 1,000 managers and supervisors have attended a three-day training program and 150 people have been trained in how to pass on the various aspects of the program to others. In May last year, all of our Regions took part in the Pulse communication week. These figures are proof of the progress we are making.

#### WHERE WILL THE PROGRAM GO FROM HERE?

2011 will see the introduction of Pulse leadership sessions designed specifically for engineers, while a training course will help everyone to be more effective in the way they develop and communicate safety messages. This second generation of courses will include analysis of the commitments made and initiatives already implemented. Lastly, we will be conducting a second global climate survey in 2012 to measure the progress made by the program at that time.

### /// TECHNIP SAFETY PERFORMANCE



#### INVOLVING OUR SUB-CONTRACTORS

Because both of the fatal accidents that occurred on our project sites in 2010 involved sub-contractors, the need to involve them in our HSE initiatives remains a priority. Our safety requirements and expectations are made clear from the contract stage. As part of the Pulse program and other initiatives, the Group provides training to all personnel working on its construction sites and ensures that all stakeholders - Technip, its clients and sub-contractors - are united in their commitment to achieving the highest-possible safety standards.

#### HEALTH: CONTINUAL RISK PREVENTION AND INFORMATION

Preventing health-related risks is a permanent commitment for Technip, and one that covers all its employees no matter where they work and wherever they travel in more than 50 countries, all of which with very different health profiles.

#### PREVENTING THE RISKS POSED BY EPIDEMICS

Whenever a country in which its employees are working is affected by an epidemic, Technip issues health alerts. In 2010, 17 such alerts were issued, including three relating to polio epidemics in Tajikistan, Angola and Congo (Pointe-Noire), illustrating the fact that even diseases presumed eradicated can resurface in the absence of appropriate preventive action. We then advised all personnel traveling to, or working in, the affected areas to make sure that their vaccinations were up to date.

Before they travel, all Group employees receive a detailed leaflet on their destination country. Produced in collaboration with the Group Security

Division, this leaflet contains details of any epidemics known to exist in the country, as well as details of common illnesses and health problems. It also contains emergency telephone numbers and contact details.

#### PUBLIC HEALTH INFORMATION

Every Region conducts preventive awareness campaigns to address public health issues, such as cardiovascular risk, nutrition, diabetes and smoking. On November 30, 2010, the Group organized a World Health Day focusing on the prevention of musculoskeletal problems. This event included exhibitions in all Group entities and the distribution of an information leaflet. As part of extending the impact of this awareness day, the Group Intranet offered details of muscle stretching exercises for several weeks. In 2011, the focus will be on another important health issue.

#### ORGANIZING ON-SITE HEALTHCARE

As part of improving on-site medical care, a standard has been issued setting out an implementation framework for healthcare structures. This document was prepared on the basis of evaluation inspections of the medical clinics in operations on our project sites in Vietnam, Qatar, Turkmenistan and Yemen, backed by monitoring of associated good practices. This new standard allows us to harmonize the equipment used in the clinics operated on Group construction sites, as well as the services they provide.

/// Crisis management teams receive regular training in the form of exercises and simulations.



## SECURITY: ANTICIPATING AND PREVENTING ALL TYPES OF MALEVOLENT ACTS

With health and safety, the third component of a sound working environment is security, where the priority is to protect the Group's women and men against malicious acts.

### PROTECTING OUR PEOPLE, INSTALLATIONS, VESSELS AND TECHNOLOGICAL ASSETS

In order to address this priority, the Technip Security Division monitors the security issues affecting the working conditions and environments of all our people, regardless of whether they are traveling, working in offices, on construction sites or onboard the vessels operated by the Group (with a particular focus on piracy).

The Technip strategy focuses on strengthening its crisis anticipation and management methods. It also aims at ensuring its business continuity in the event of a major incident. The effectiveness of this strategy is backed by a security culture, shared by all the internal and external stakeholders of a project. Our security policy reflects our

Group values and our constant imperative for ethics, transparency and personal commitment.

### 2010: A YEAR OF PROGRESS TOWARDS MORE SECURE WORKING ENVIRONMENTS

A security awareness program was launched in 2010 in order to improve understanding of these issues and encourage the commitment of every Technip employee to combating them.

The security of people working on secondment is constantly improved by the publication of booklets that provide information on the specificities of the destination countries. These booklets have been prepared for around 50 countries and all are updated on a regular basis.

Regional deployment of the emergency response system continues with the training of teams through exercises and simulations all along the year. Regional and operations-specific crisis management manuals are currently in preparation. Our crisis communication processes and resources, defined at Group level, are currently being deployed in our Regions, along with the new business continuity standard.

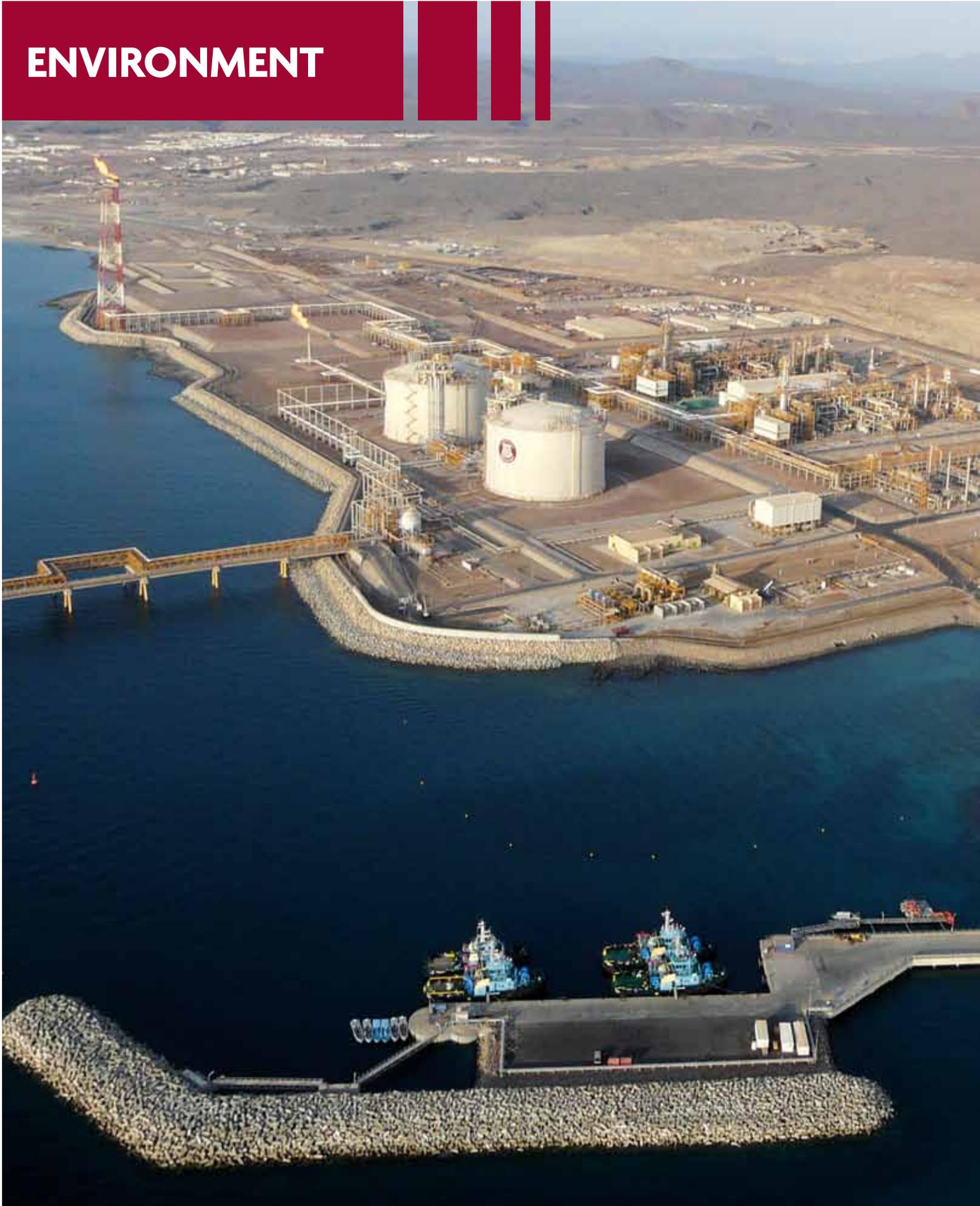
The "Information Security®" handbook, published by the Security Division, on data protection and the confidentiality of sensitive information will be distributed in 2011. A permanent auditing system is also in place to anticipate the evolution of potential threats to information systems.

Lastly, a new interface, also developed internally, makes it possible to locate the Technip fleet in real time and identify maritime areas that pose the highest risk so that ad hoc prevention and protection measures can be taken. We have also stepped up awareness training for crews regarding the risk of piracy and the correct procedures to adopt in the event of pirate attack are also adjusted in real time.

## SAFETY BEGINS IN THE OFFICE!

11 accidents were recorded in Technip offices during 2010 (the majority of them involved falls on stairs), which represented one-third of all lost-time injury accidents recorded for the Group. That is why an information campaign designed to highlight risky situations was launched during the year to encourage employees to take greater care, not only of themselves, but also of others. Advice on how taking a careful approach can anticipate the risk of falls, collisions or the effects of mishandling furniture and equipment was published in our newsletter and on the Group Intranet. Practical datasheets addressing specific issues, such as the potential dangers of glass doors and the correct use of safety equipment (stair ramps, anti-slip matting...), were widely distributed in Group entities.

# ENVIRONMENT



# SUSTAINABLE RESPONSES TO ENVIRONMENTAL CHALLENGES

The energy industry must respond effectively to many environmental challenges, especially those posed by global warming and the prevention of accidental pollution. Technip confronts these challenges every day, both in its own activities and on behalf of its clients.

## REDUCING OUR ENVIRONMENTAL FOOTPRINT

The main focus of Technip's environmental approach is reducing greenhouse gas emissions and waste and water consumption in our operating centers, fleet and facilities.

### A COORDINATED GLOBAL APPROACH DESIGNED TO IMPROVE PERFORMANCE

In order to achieve and maintain a high level of environmental efficiency in all of its entities, Technip implements an international strategy built around three core goals: improve the quality and consistency of reporting, upgrade performance standards and improve communication in order to share best practices and increase awareness. The Environment Working Group, composed of experts in environmental issues from various Group Regions, supports the Health, Safety and Environment (HSE) Division and Group entities in defining and implementing this strategy.

Three main transversal initiatives were introduced in 2010.

The first was the development of a CO<sub>2</sub> emission calculation tool derived from the Intergovernmental Panel on Climate Change guidelines used by all Kyoto Protocol signatory countries. This system is being progressively extended to include all Group activities. It has been integrated into our HSE incident management system and can now be used to automatically quantify CO<sub>2</sub> emissions associated with energy consumption. This tool improves our reporting and the transparency of our results.

Also during 2010, Technip implemented a new environmental performance management standard designed to reaffirm its total commitment to minimizing the potential negative environmental effects of its business activities. This standard, which will be audited to ensure compliance of

entities, sets out the responsibilities of Technip at the various levels of its organization, and those of its sub-contractors, in terms of environmental risk management, preventive action, remedial action and reporting. The same responsibilities apply equally to the Group's sub-contractors.

In June 2010, Technip took part for the third consecutive year in the World Environment Day sponsored by the United Nations Environment Program. All our entities used this opportunity to implement awareness-raising initiatives, encourage discussion and screen documentary films designed to improve everyday actions and behavior.

### A "GREEN OFFICE" POLICY FOR ALL OUR OPERATING CENTERS

One of the environmental goals set by Technip for 2010 was the introduction of an eco-responsibility policy for its offices. This initiative focuses essentially on reducing the consumption of electricity, as well as promoting recycling and the use of sustainably-produced equipment and materials. All Technip entities introduced "green office" initiatives in 2010. Examples include the distribution of recycled plastic mugs to employees in Houston (Texas) to eliminate the use of disposable cups, or the installation of an eco-button on 2,000 workstations at La Défense (France) to enable computers to be switched to energy-saving mode very simply. Offices at La Défense were also supplied with waste paper collection bins for recycling. Lastly, Technip's head office relocated to a building in Paris that is designed to meet the High-Quality Environmental (HQE) standard.



/// 2010 World Environment Day provided a perfect opportunity to promote Green Office initiatives.

**2.14** kg equivalent CO<sub>2</sub>  
per hour of greenhouse  
gas emissions in 2010



**Teresa Sonne**, Deputy Director of the Marine Well Containment System (MWCS) FEED project

#### **IN WHAT CONTEXT WAS TECHNIP AWARDED THE CONTRACT FOR THE MWCS PROJECT?**

The catastrophe involving the Deepwater Horizon platform off the coast of Louisiana resulted in the loss of 11 lives and caused an unprecedented oil spill. Soon after the incident, Technip seconded a team to BP to work on containment solutions for the well. Our expertise in the Subsea and Offshore markets, combined with our very close involvement in this emergency situation, made us eminently qualified to be chosen for the MWCS project.

#### **COULD YOU TELL US A LITTLE MORE?**

The oil and gas industry recognized that it was not well enough equipped to deal with an oil spill of the magnitude and water depth experienced at the Macondo well. As a result, five international operators have joined together to create the Marine Well Containment Company. The purpose of this company is to devise an emergency response system capable of containing a similar oil leak. Acting on behalf of the MWCC, ExxonMobil awarded Technip an engineering contract to develop such a system. The system must be adaptable to suit a broad range of water depths, well types and weather conditions, be capable of implementation within 24 hours of an accident and achieve full deployment within a matter of weeks.

#### **WHAT ARE THE KEY CHALLENGES INVOLVED?**

The major challenge posed by this project, aside from the extremely tight schedule, is the design of two different caisson containment systems which requires the unique subsea design and construction expertise of Technip. The other technical challenge is the chemical dispersant fluid system which will be used in cases where it is impossible to ensure total well containment.

# 0.13

kg of waste per hour generated in 2010

### **PROVIDING OUR CLIENTS WITH INCREASINGLY ENVIRONMENT-FRIENDLY SOLUTIONS**

Growth in energy demand from emerging countries is further highlighting the need to address the issue of greenhouse gas reduction, and Technip continues to support its clients in doing so.

#### **REDUCING THE IMPACT OF OIL AND GAS INSTALLATIONS**

We offer our clients a comprehensive portfolio of technology solutions, from optimizing the energy efficiency of their installations to carbon capture and storage.

In 2009, Technip launched its HyN.DT (Hydrogen Network Design Tool) to optimize the management of hydrogen and CO<sub>2</sub> in refineries. This tool can be used to evaluate production and recovery options and identify the most energy-efficient and economical solution.

In the promising market for carbon capture and storage (CCS), Technip worked on a number of engineering contracts during 2010. Developments

in technology and the strengthening of partnerships (including that with Geogreen) also enabled the Group to extend its expertise throughout the CCS chain, from CO<sub>2</sub> capture at source through to its transportation and injection into underground reservoirs to prevent its release into the atmosphere.

In addition, the Group has been selected by a consortium of five major oil companies to design an emergency response system to be used in the event of an oil leak in deep waters in the Gulf of Mexico (see interview).

#### **ENSURING THAT OUR CLIENTS' PROJECTS RESPECT THE ENVIRONMENT**

At every stage of the projects we undertake for our clients, we take full account of the environmental challenges involved and offer innovative solutions tailored to precise technical and geographic needs.

The joint Technip/Hatch Koniambo mining project for Falconbridge in New Caledonia is close to a UNESCO World Heritage Site lagoon that is home to many native plant and animal species, some of which endangered. These special circum-



# 1.57

liter of water per hour  
consumed in 2010

stances have demanded the implementation of many protective measures, including the management of feed water and runoff, the replanting of the area to prevent soil erosion, marine construction work, including a barrier to prevent silt buildup along the port access road, and regular measurement of water quality, sedimentation rates and coral health.

Similarly, the renewable diesel production unit currently under construction for Neste Oil in Rotterdam (The Netherlands) is close to a protected nesting site. A security exclusion zone has been imposed around each nest to prevent those working on the site from getting too close to nesting birds and disturbing them.

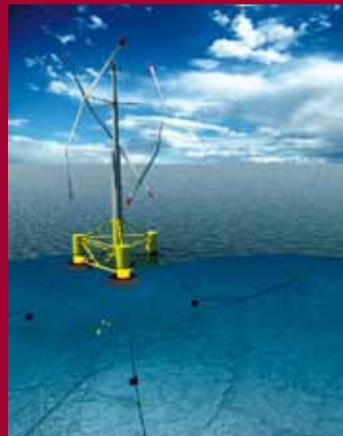
#### EXPERTISE IN RENEWABLE ENERGIES

Helping to meet the future energy needs of the planet also means developing energy solutions that offer an alternative to hydrocarbons. In 2010, Technip reaffirmed its commitment and readiness to apply its core business expertise to the field of renewable energy sources, such as biofuels, biomass geothermal and marine energy (particularly offshore wind: see inset).

## FAIR WINDS FOR THE OFFSHORE WIND POWER INDUSTRY

The offshore wind power market currently accounts for only 1% of wind power generating capacity worldwide, and therefore offers fair prospects for growth in the medium term.

This market is particularly dynamic in the North Sea, where the continental shelf offers important areas of shallow



/// Technip is currently developing a prototype for a vertical axis offshore wind turbine.

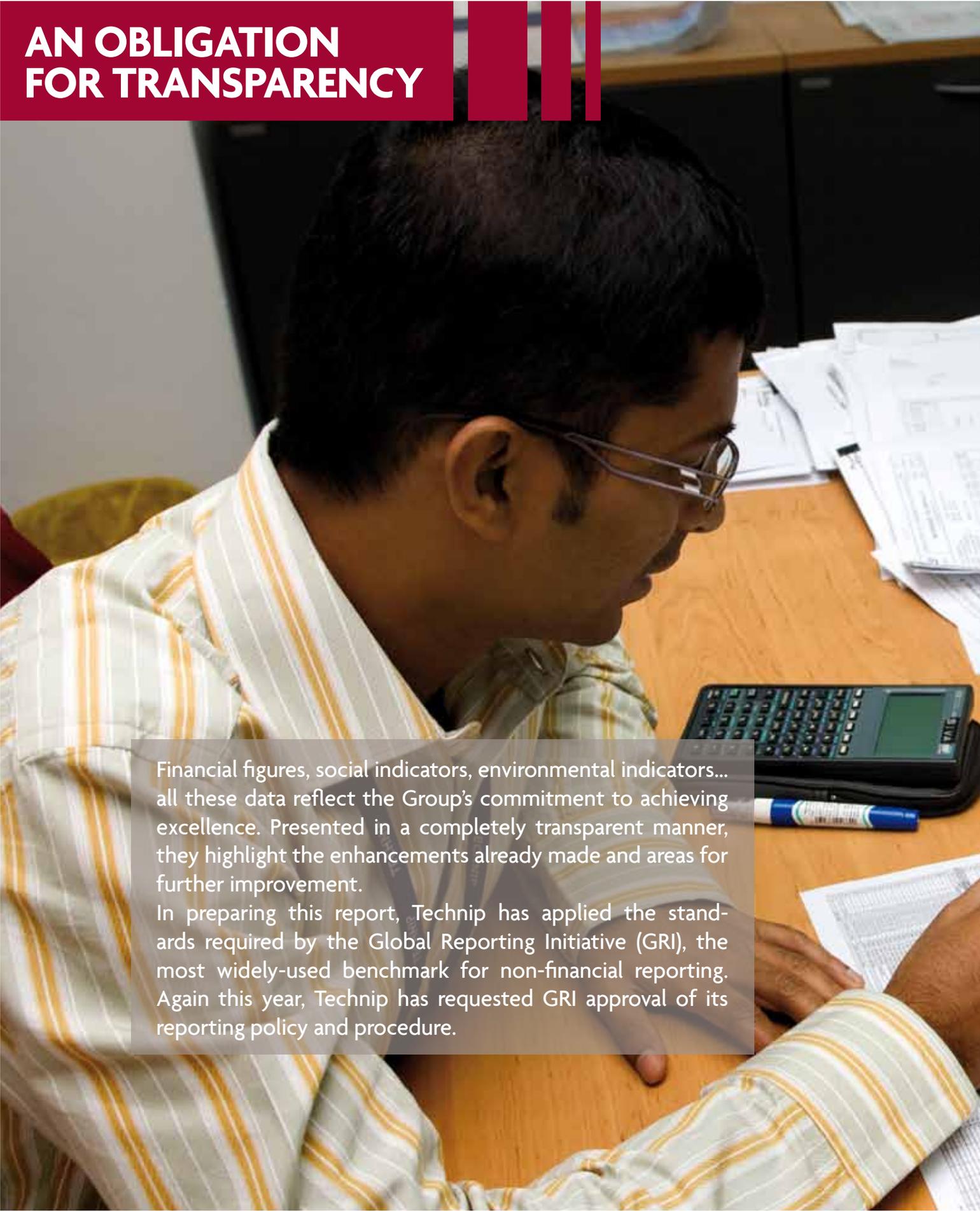
water close to coasts. In early 2010 Technip designated its Aberdeen (UK) operating center as the head office for all European offshore wind projects. That decision was reinforced in January 2011 with the acquisition of assets from Subocean, a British subsea cable laying contractor serving the renewable energy sector.

Floating wind farm technologies represent a promising growth area, since they enable the installation of wind generators in greater depths of water. Following the 2009 handover to Statoil of Hywind, the first floating offshore industrial-scale wind turbine in the world, Technip launched the Vertiwind project in 2010, in association with Nénuphar, Converteam and EDF Energies nouvelles. This project to create a prototype of a floating offshore wind turbine with a vertical axis will lower the center of gravity of the turbine, thus reducing the size of the floating structure, facilitating installation and improving competitiveness.

/// Our proven expertise in the biofuels market was confirmed with the 2010 handover of a renewable diesel production unit for Neste Oil (Singapore).



## AN OBLIGATION FOR TRANSPARENCY

A man with dark hair and glasses, wearing a light-colored shirt with vertical yellow and white stripes, is seated at a wooden desk. He is looking down at a document. On the desk, there is a black calculator, a blue marker, and several sheets of paper, some of which appear to be spreadsheets or reports. The background shows a dark office cabinet.

Financial figures, social indicators, environmental indicators... all these data reflect the Group's commitment to achieving excellence. Presented in a completely transparent manner, they highlight the enhancements already made and areas for further improvement.

In preparing this report, Technip has applied the standards required by the Global Reporting Initiative (GRI), the most widely-used benchmark for non-financial reporting. Again this year, Technip has requested GRI approval of its reporting policy and procedure.



# REPORTING SCOPE

The main 2010 social, environmental and financial data are listed in the following pages of this Report. More information are also available in the 2010 Reference Document.

## SOCIAL DATA

The 2010 social reporting perimeter is stable compared to 2009 (57 entities) and covers 100% of the Group's international scope unless otherwise mentioned.

The input, collection and consolidation of social data has been conducted using a common software tool across the Group. Users dispose of an indicator definition protocol that is reviewed and improved each year based upon feedback from the entities and the problems observed. Data consolidation is centralized by the Group Human Resources Division.

## ENVIRONMENTAL DATA

Environmental data is collected annually by means of a worldwide data management system. More than 75 staff members in over 45 countries including project sites participate in data collection.

92% of Group entities and main projects report data related to these various indicators. This reliable data thus enables changes to be measured at each site.



- Offices and assets
- Project and installation sites



■ Countries in which Technip has carried out initiatives in favor of local communities in 2010.

# SOCIAL DATA

WORLDWIDE, UNLESS OTHERWISE INDICATED

## /// BREAKDOWN OF EMPLOYEES BY GEOGRAPHIC ZONE

|                                  | 2010          | 2009          |
|----------------------------------|---------------|---------------|
| Europe                           | 10,026        | 10,599        |
| Americas                         | 5,406         | 4,906         |
| Asia Pacific                     | 5,501         | 5,006         |
| Middle East                      | 1,569         | 1,484         |
| Africa                           | 581           | 795           |
| Russia & Central Asia            | 194           | 159           |
| Regular workforce <sup>(1)</sup> | 23,277        | 22,949        |
| Other contracted workforce       | 2,515         | 2,111         |
| <b>TOTAL</b>                     | <b>25,792</b> | <b>25,060</b> |

(1) Employees on payroll and contracted workers in Technip plants, yard and fleet.

## /// PAYROLL EMPLOYEE ARRIVALS AND DEPARTURES

|  | 2010         | 2009         |
|--|--------------|--------------|
| <b>ARRIVALS</b>                                    | <b>4,077</b> | <b>2,322</b> |
| Permanent contracts                                | 2,643        | 1,223        |
| Temporary contracts (fixed-term)                   | 1,434        | 1,099        |
| <b>Departures</b>                                  | <b>3,094</b> | <b>2,957</b> |
| Permanent contracts                                | 2,077        | 1,899        |
| Temporary contracts (fixed-term)                   | 1,017        | 1,058        |
| Economic lay-offs                                  | 145          | 522          |
| Renewal rate of permanent positions <sup>(2)</sup> | 1.27         | 0.64         |

(2) Start/termination of permanent positions.

## /// BREAKDOWN OF EMPLOYEES BY CATEGORY

|  | 2010          | 2009          |
|--|---------------|---------------|
| Employees on payroll                           | 21,137        | 20,216        |
| – Permanent contracts                          | 18,981        | 17,948        |
| – Temporary contracts (fixed-term)             | 2,156         | 2,268         |
| Contracted employees                           | 4,655         | 4,844         |
| – Contracted workers in plants, yard and fleet | 2,140         | 2,733         |
| – Other contracted workforce                   | 2,515         | 2,111         |
| <b>TOTAL</b>                                   | <b>25,792</b> | <b>25,060</b> |

## /// BREAKDOWN BY GENDER

|                               | 2010          | 2009          |
|-------------------------------|---------------|---------------|
| <b>Executive Committee</b>    | <b>8</b>      | <b>7</b>      |
| Women                         | 0%            | 0%            |
| Men                           | 100%          | 100%          |
| <b>Managers<sup>(3)</sup></b> | <b>2,588</b>  | <b>2,111</b>  |
| Women                         | 18%           | 14%           |
| Men                           | 82%           | 86%           |
| <b>Others</b>                 | <b>18,541</b> | <b>18,098</b> |
| Women                         | 26%           | 26%           |
| Men                           | 74%           | 74%           |
| <b>TOTAL</b>                  | <b>21,137</b> | <b>20,216</b> |
| Women                         | 25%           | 25%           |
| Men                           | 75%           | 75%           |

(3) Employees exercising a supervisory role and within the chain of command, in accordance with the "Human Resources Without Borders" program.

## /// ORGANIZATION OF WORKING HOURS

|   | 2010    | 2009    |
|---|---------|---------|
| Full-time work                              | 20,672  | 19,731  |
| Part-time work                              | 465     | 485     |
| Employees working in teams                  | 1,470   | 1,686   |
| Overtime (France and regional headquarters) | 750,966 | 695,690 |

## /// ABSENTEEISM

|   | 2010  | 2009  |
|---|-------|-------|
| Total rate of absenteeism (sickness/accident) | 2.13% | 1.84% |
| Number of days lost due to strikes            | 403   | 143   |

### /// BREAKDOWN OF EXPATRIATES BY GEOGRAPHIC ORIGIN

|                       | 2010         | 2009         |
|-----------------------|--------------|--------------|
| Europe                | 603          | 670          |
| Asia Pacific          | 303          | 310          |
| Middle East           | 127          | 195          |
| Americas              | 114          | 92           |
| Africa                | 4            | 7            |
| Russia & Central Asia | 0            | 0            |
| <b>TOTAL</b>          | <b>1,151</b> | <b>1,274</b> |

### /// TRAINING OF EMPLOYEES ON PAYROLL

|   | 2010           | 2009           |
|---|----------------|----------------|
| <b>Hours of training</b>  | <b>591,564</b> | <b>632,917</b> |
| Technical training  | 199,993        | 244,565        |
| Non technical including management, cross disciplines   | 195,065        | 227,721        |
| Health/safety/security  | 131,025        | 96,123         |
| Languages   | 52,206         | 55,512         |
| Human rights, ethics and Technip values awareness training  | 13,275         | 8,996          |
| <b>Number of employees on payroll who benefited from at least one training course during the year</b> | <b>16,362</b>  | <b>15,239</b>  |
| Women   | 4,010          | 3,999          |
| Men   | 12,352         | 11,240         |
| <b>Average hours of training per employee on payroll</b>  | <b>25</b>      | <b>31</b>      |

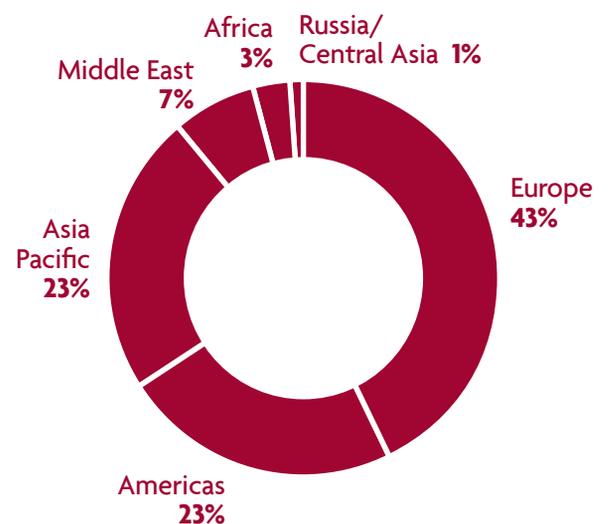
### /// ANNUAL PERFORMANCE REVIEWS

|                                       | 2010 | 2009 |
|---------------------------------------|------|------|
| Percent of payroll employees assessed | 92%  | 90%  |

### /// PROFIT SHARING (IN € THOUSANDS)

|  | 2010   | 2009   |
|--|--------|--------|
| Amounts allocated to incentive profit sharing (France, Spain, Italy) | 12,127 | 12,771 |
| Amounts allocated to mandatory profit sharing (France)               | 14,655 | 13,683 |

### /// REGULAR WORKFORCE<sup>(1)</sup>



(1) Employees on payroll and contracted workers in Technip plants, yard and fleet.

# ENVIRONMENTAL INDICATORS

|   | 2010           | 2009           | 2010 Breakdown     |                    |                |               |
|---|----------------|----------------|--------------------|--------------------|----------------|---------------|
|   |                |                | Construction sites | Fabrication plants | Fleet          | Offices       |
| <b>/// Paper</b>  |                |                |                    |                    |                |               |
| Paper (tonnes)  | 571            | 767            | 52                 | 33                 |                | 486           |
| <b>/// Energy</b>   |                |                |                    |                    |                |               |
| Direct energy consumption (MWh)                             |                |                |                    |                    |                |               |
| – Gas (MWh)   | 1,367          | 16,738         |                    | 1,272              |                | 95            |
| – Fuel-oil, diesel (MWh)                                    | 1,549,867      | 1,102,349      | 534,231            | 111,404            | 904,101        | 131           |
| Indirect energy consumption (MWh)                           |                |                |                    |                    |                |               |
| – Electricity (MWh)   | 69,004         | 103,238        | 1,320              | 29,592             |                | 38,092        |
| <b>/// Water</b>  |                |                |                    |                    |                |               |
| Total water consumption (m <sup>3</sup> )                   |                |                |                    |                    |                |               |
| – Water   | 2,946,805      | 4,514,993      | 2,303,640          | 277,133            | 120,593        | 245,439       |
| <b>/// Waste water<sup>(1)</sup></b>                        |                |                |                    |                    |                |               |
| Industrial & domestic effluents (tonnes)                    | 1,329,308      | 2,240,310      | 1,218,864          | 25,292             | 85,152         |               |
| <b>/// Waste</b>  |                |                |                    |                    |                |               |
| Non-hazardous waste (tonnes)                                | 23,005         | 63,302         | 21,078             | 464                | 734            | 729           |
| Hazardous waste (tonnes)                                    | 2,368          | 2,441          | 720                | 931                | 705            | 12            |
| <b>TOTAL WASTE (TONNES)</b>                                 | <b>25,373</b>  | <b>65,743</b>  | <b>21,798</b>      | <b>1,395</b>       | <b>1,439</b>   | <b>741</b>    |
| <b>/// Atmospheric CO<sub>2</sub> emissions</b>             |                |                |                    |                    |                |               |
| – Direct emissions (t CO <sub>2</sub> equiv)                | 373,256        | 435,860        | 145,274            | 7,597              | 219,157        | 1,228         |
| – Indirect emissions (t CO <sub>2</sub> equiv)              | 28,652         | 20,456         | 8                  | 7,724              |                | 20,920        |
| <b>TOTAL</b>  | <b>401,908</b> | <b>456,316</b> | <b>145,282</b>     | <b>15,321</b>      | <b>219,157</b> | <b>22,148</b> |
| <b>/// Annual expenditure on environmental protection</b>   |                |                |                    |                    |                |               |
| Total operating expenditures (k€)                           | 710            | 325            |                    |                    |                |               |
| Total capital expenditure committed (k€)                    | 2,632          | 1,457          |                    |                    |                |               |
| Provisions and guarantees to cover environmental risks (k€) | -              | -              |                    |                    |                |               |
| Decontamination cost (k€)                                   | 0              | 0              |                    |                    |                |               |
| Number of fines and compensation awards (k€)                | 0              | 1              |                    |                    |                |               |
| Amount of fines and compensation awards (k€)                | 0              | 80             |                    |                    |                |               |

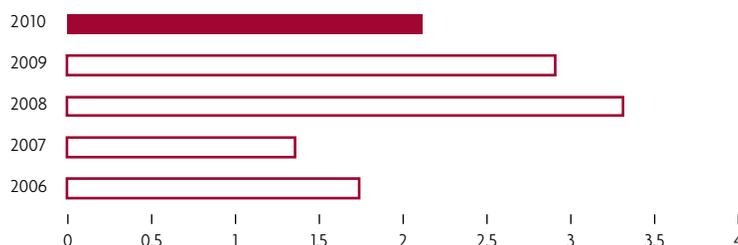
(1) Effluents treated in water treatment plants and discharged directly into the natural environment.

|   | 2010 | 2009  | 2010 Breakdown     |                    |       |         |
|---|------|-------|--------------------|--------------------|-------|---------|
|   |      |       | Construction sites | Fabrication plants | Fleet | Offices |
| <b>/// Management system</b>                        |      |       |                    |                    |       |         |
| Sites included in the environmental report          | 92%  | 92%   |                    |                    |       |         |
| Number of ISO 14001 certified sites                 | 25   | 25    |                    |                    |       |         |
| <b>/// Total man-hours worked (millions)</b>        |      |       |                    |                    |       |         |
|   | 188  | 372   | 145                | 10                 | 9     | 24      |
| <b>/// Performance indicators</b>                   |      |       |                    |                    |       |         |
| Energy consumption (kWh/h)                          | 8.6  | 3.4   | 3.7                | 14.0               | 100.5 | 1.6     |
| Water consumption (l/h)                             | 1.57 | 12.29 | 1.59               | 2.74               | 1.34  | 1.02    |
| Waste (kg/h)  | 0.13 | 0.18  | 0.15               | 0.14               | 0.16  | 0.03    |
| Greenhouse gas emissions (kg eq CO <sub>2</sub> /h) | 2.14 | 2.94  | 1.00               | 1.52               | 24.35 | 0.92    |

**ALL THE INDICATORS FOR 2010 SHOW SIGNIFICANT IMPROVEMENT OVER THE PREVIOUS YEAR**

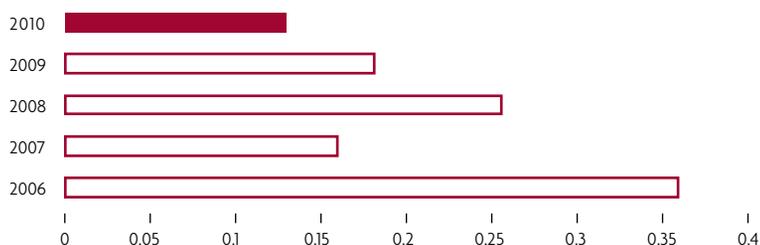
**/// Greenhouse gas emissions**  
(kg equivalent CO<sub>2</sub> per hour)

Continued progress was made during the year. In 2010, greenhouse gas emissions totaled 401,908 tonnes equivalent CO<sub>2</sub>.



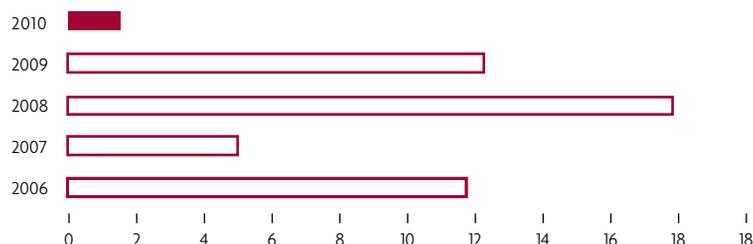
**/// Waste**  
(kg per hour)

25,373 tonnes of waste were produced during the year, of which 10% was hazardous waste. The volume of waste also fell in 2010.



**/// Water consumption**  
(liters per hour)

In 2010, water consumption totaled 2.9 million m<sup>3</sup>, reflecting a significant reduction compared to 2009. This reduction was due principally to the changes seen in water-intensive Middle Eastern site operations.



# SUMMARY OF FINANCIAL INFORMATION

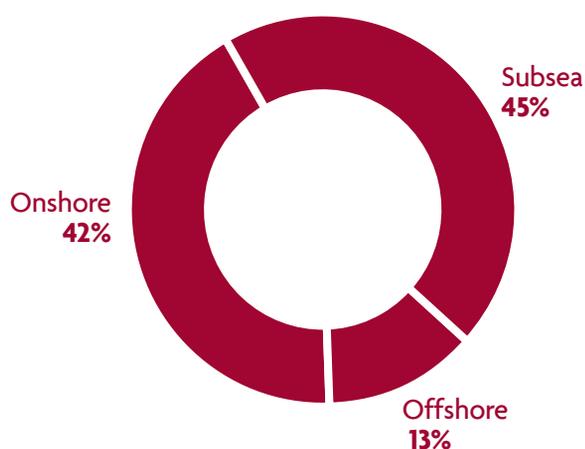
| /// CONSOLIDATED STATEMENT OF INCOME (IN € MILLION, EXCEPT EPS AND NUMBER OF SHARES) | 2010           | 2009           |
|--|----------------|----------------|
| <b>Revenue</b>   | <b>6,081.9</b> | <b>6,456.0</b> |
| Gross margin   | 1,184.9        | 1,141.9        |
| Research & Development expenses  | (56.6)         | (53.5)         |
| SG&A & other operating expenses  | (508.0)        | (411.7)        |
| <b>Operating income from recurring activities</b>                                    | <b>620.3</b>   | <b>676.7</b>   |
| Other operating income   | (5.6)          | (247.5)        |
| <b>Operating income</b>  | <b>614.7</b>   | <b>429.2</b>   |
| Financial result   | (20.1)         | (60.7)         |
| Income from equity affiliates  | -              | 4.7            |
| <b>Profit before tax</b>   | <b>594.6</b>   | <b>373.2</b>   |
| Income tax   | (179.4)        | (194.7)        |
| Minority interests   | 2.4            | (8.1)          |
| <b>Net income</b>  | <b>417.6</b>   | <b>170.4</b>   |
| Number of shares on a diluted basis  | 109,839,190    | 107,209,020    |
| <b>EPS (€) on a diluted basis<sup>(1)</sup></b>                                      | <b>3.81</b>    | <b>1.59</b>    |

| /// CONSOLIDATED BALANCE SHEET (IN € MILLION)       | 2010            | 2009           |
|---|-----------------|----------------|
| Fixed assets  | 4,146.0         | 3,646.0        |
| Deferred taxes                                      | 324.6           | 263.8          |
| <b>Non-current assets</b>                           | <b>4,470.6</b>  | <b>3,909.8</b> |
| Construction contracts                              | 378.6           | 158.0          |
| Inventories, trade receivables and others           | 2,267.1         | 1,845.9        |
| Cash & cash equivalents                             | 3,105.7         | 2,656.3        |
| <b>Current assets</b>                               | <b>5,751.4</b>  | <b>4,660.2</b> |
| <b>TOTAL ASSETS</b>                                 | <b>10,222.0</b> | <b>8,570.0</b> |
| Shareholders' equity (parent company)               | 3,179.8         | 2,686.7        |
| Minority interests                                  | 22.3            | 30.4           |
| <b>Shareholders' equity</b>                         | <b>3,202.1</b>  | <b>2,717.1</b> |
| Non-current financial debts                         | 1,092.1         | 844.5          |
| Non-current provisions                              | 110.2           | 100.4          |
| Deferred taxes and other non-current liabilities    | 144.7           | 124.9          |
| <b>Non-current liabilities</b>                      | <b>1,347.0</b>  | <b>1,069.8</b> |
| Current financial debts                             | 681.3           | 28.2           |
| Current provisions                                  | 236.7           | 484.1          |
| Construction contracts                              | 694.9           | 975.6          |
| Accounts payable & other advances received          | 4,060.0         | 3,295.2        |
| <b>Current liabilities</b>                          | <b>5,672.9</b>  | <b>4,783.1</b> |
| <b>TOTAL SHAREHOLDERS' EQUITY &amp; LIABILITIES</b> | <b>10,222.0</b> | <b>8,570.0</b> |

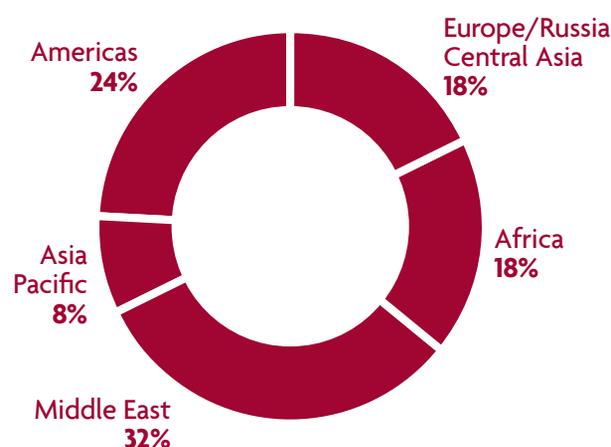
(1) As per IFRS, Earnings Per Share (diluted) are calculated by dividing profit or loss attributable to the Parent Company's Shareholders, retreated from financial interest related to dilutive potential ordinary shares, by the weighted average number of outstanding shares during the period, plus the effect of dilutive potential ordinary share related to the convertible bond, dilutive stock options and performance shares calculated according to the "Share Purchase Method" (IFRS 2), less treasury shares. In conformity with this method, anti-dilutive stock options are ignored in calculating EPS. Dilutive options are taken into account if the subscription price of the stock options plus the future IFRS 2 charge (i.e. the sum of annual charge to be recorded until the end of the stock option plan) is lower than the average market share price during the period.

## /// CONSOLIDATED STATEMENT OF CASH FLOW (IN € MILLION)

|  | 2010           | 2009           |
|--|----------------|----------------|
| Net income   | 417.6          | 170.4          |
| Depreciation of fixed assets                               | 145.6          | 224.1          |
| Stock option and performance share charges                 | 27.0           | 38.6           |
| Long-term provisions (including employee benefits)         | (0.3)          | (7.4)          |
| Deferred income tax  | (50.8)         | (58.4)         |
| Capital (gain) loss on asset sale                          | 2.5            | (0.8)          |
| Minority interests and other                               | (2.4)          | 6.1            |
|  | <b>539.2</b>   | <b>372.6</b>   |
| <b>Change in working capital</b>                           | <b>(500.9)</b> | <b>261.5</b>   |
| <b>Net cash provided by (used in) investing activities</b> | <b>38.3</b>    | <b>634.1</b>   |
| Capital expenditures                                       | (388.9)        | (423.6)        |
| Cash proceeds from non-current asset disposal              | 22.3           | 2.9            |
| Share acquisitions   | (114.7)        | (0.3)          |
| Change of scope of consolidation                           | (26.5)         | (8.1)          |
| <b>Net cash provided by (used in) investing activities</b> | <b>(507.8)</b> | <b>(429.1)</b> |
| Increase (decrease) in debt                                | 894.2          | 84.1           |
| Capital increase   | 40.4           | 0.6            |
| Dividend payment   | (143.6)        | (127.5)        |
| Treasury shares  | (2.2)          | -              |
| <b>Net cash provided by (used in) financing activities</b> | <b>788.8</b>   | <b>(42.8)</b>  |
| <b>Foreign exchange translation adjustment</b>             | <b>131.2</b>   | <b>92.4</b>    |
| <b>Net increase (decrease) in cash and equivalents</b>     | <b>450.5</b>   | <b>254.6</b>   |
| Bank overdraft at period beginning                         | (1.2)          | (4.2)          |
| Cash and equivalents at period beginning                   | 2,656.3        | 2,404.7        |
| Bank overdraft at period end                               | (0.1)          | (1.2)          |
| Cash and equivalents at period end                         | 3,105.7        | 2,656.3        |
| <b>NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS</b>     | <b>450.5</b>   | <b>254.6</b>   |



/// BREAKDOWN OF 2010 REVENUE BY SEGMENT OF ACTIVITY



/// BACKLOG AT YEAR-END 2010 BY GEOGRAPHICAL AREA

## Glossary

### BIOFUELS

Fuels produced from biomass (rapeseed, sunflower, sugar beets...).

### CCS (CARBON CAPTURE AND STORAGE)

The CCS is a solution for reducing greenhouse gas emissions from industrial installations in response to global warming.

### CRACKING FURNACE

Furnace used to “crack” long-chain hydrocarbons, breaking them down into short-chain ones.

### DEVELOPMENT (OF A GAS OR OIL FIELD)

All operations associated with the exploitation of an oil or gas field.

### DJSI (DOW JONES SUSTAINABILITY INDEX)

Launched in 1999, this index was the first to track the financial performances of leading sustainability-driven companies worldwide.

### ETHYLENE

Principal intermediate product used in the petrochemical industry for the production of derived products. A colorless, inflammable gas, it is produced through steam cracking of oil or gas.

### FEED (FRONT-END ENGINEERING DESIGN)

Engineering studies whose detail allows the client to launch the bidding process for the execution of the project.

### FLNG (FLOATING LIQUEFIED NATURAL GAS)

This term covers two markets: the reception terminals located close to the coast and the offshore liquefaction units. In a FLNG solution, the gas liquefaction installations are situated directly above the offshore gas field, thus making the construction of long subsea pipelines and large onshore infrastructure unnecessary.

### FLOATOVER

Installation method of an integrated production deck (topsides) on a fixed or floating offshore structure without heavy lift operations.

### FLOWLINE

Flexible or rigid pipe laid on the seabed for the transport of production or injection fluids.

### FPSO (FLOATING, PRODUCTION, STORAGE AND OFFLOADING)

A converted ship or custom-built vessel used to process oil and gas and for temporary storage of the oil prior to transport.

### GLOBAL COMPACT

International initiative of the United Nations, launched in 2000. It unites businesses, United Nations bodies, labor groups and civil society around ten universal principles relating to human rights, labor and the environment. Technip has been an official member of the Global Compact since 2003.

### GRI (GLOBAL REPORTING INITIATIVE)

A network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. In order to ensure the highest degree of technical quality, credibility, and relevance, the reporting framework is developed through a consensus-seeking process with participants drawn globally from business, civil society, labor, and professional institutions.

### HSE (HEALTH, SAFETY AND ENVIRONMENT)

Defines all measures taken by Technip to guarantee the occupational health and safety of individuals and the protection of the environment during the performance of its business activities, whether in offices or on construction sites.

### HYDROCARBONS

A hydrocarbon is an organic compound composed exclusively of carbon (C) and hydrogen (H) atoms.

**IPB (INTEGRATED PRODUCTION BUNDLE)**

A flexible pipe with an incorporated electrical heating system aimed to increase internal fluid temperature, thus increasing oil flow.

**LNG (LIQUEFIED NATURAL GAS)**

Natural gas, liquefied by cooling its temperature to -162°C, thus reducing its volume 600 times, allowing its transport by LNG tank.

**PETROCHEMICALS**

Industry relating to chemical compounds derived from hydrocarbons.

**REFINING**

All physical and chemical operations which allow the production of commercial products (gasoline, diesel fuel, lubricants...) from crude oil.

**RISER**

Pipe or assembly of flexible or rigid pipes used to transfer produced fluids from the seabed to surface facilities, and transfer injection or control fluids from the surface facilities to the seabed.

**SEMI-SUBMERSIBLE PLATFORM**

Offshore platform that is stabilized by pontoons whose degree of immersion can be changed through ballasting and de-ballasting.

**SPAR**

A cylindrical, partially submerged offshore drilling and production platform that is particularly well-adapted to deepwater.

**TLP (TENSION LEG PLATFORM)**

Floating production platform anchored by tensioned cables, thus limiting vertical movement caused by heavy swells. This platform design allows for the well-heads to be located at the surface, on the platform.

**UMBILICAL**

An assembly of hydraulic hoses, which can also include electrical cables or optic fibers, used to control subsea structures from a platform or a vessel.



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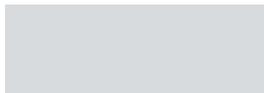
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