

UNIVERSAL REGISTRATION DOCUMENT



ANNUAL FINANCIAL REPORT

2021

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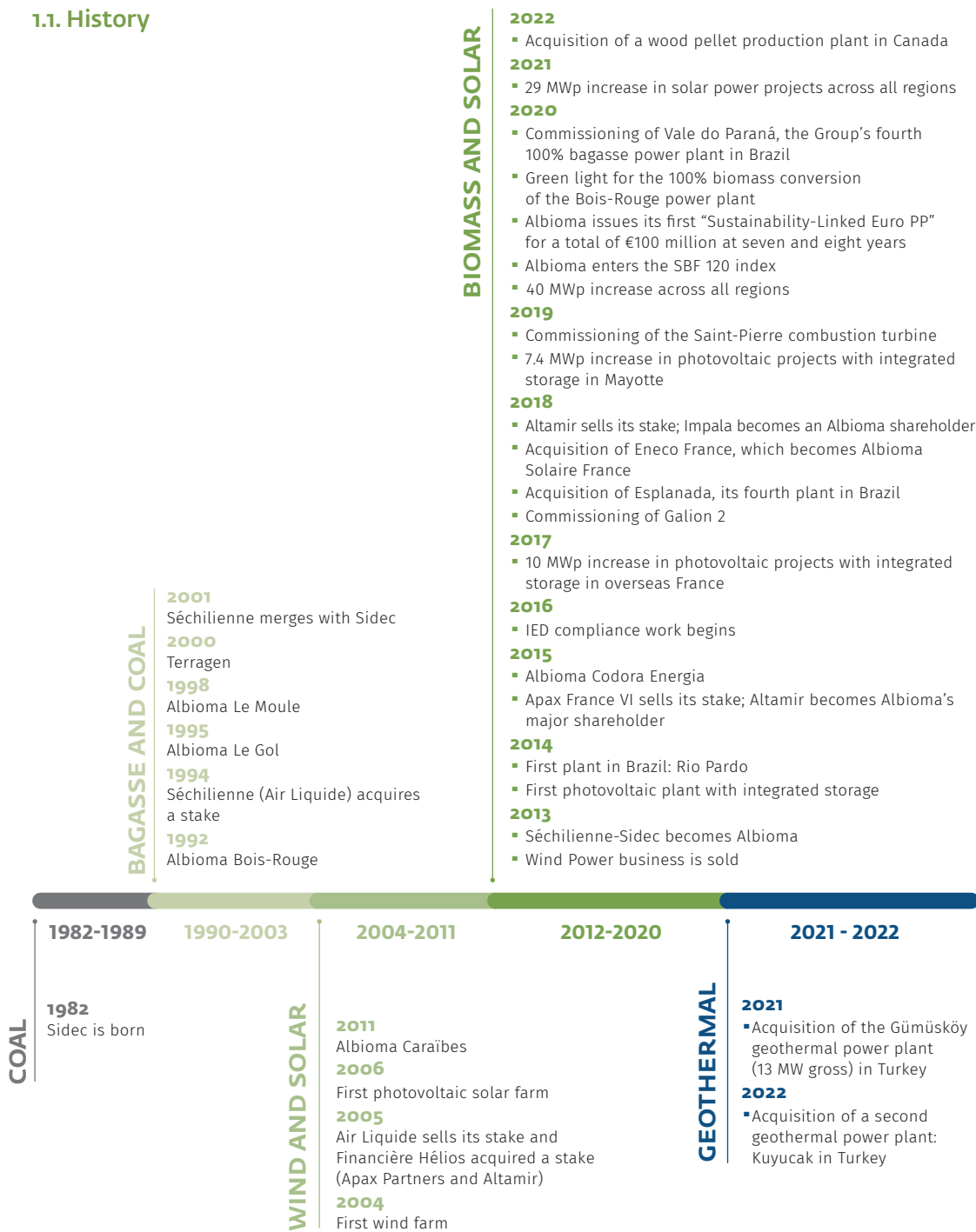
The French language version of this Universal Registration Document was filed on 29 April 2022 with the French Financial Markets Authority (Autorité des Marchés Financiers) in its capacity as competent authority within the meaning of EU Regulation 2017/1129, without prior approval, in accordance with Article 9 of said Regulation. The Universal Registration Document may also be used for the offer to the public or the admission to trading of securities on a regulated market, provided it is accompanied by securities note and, if applicable, a summary of all amendments applied to the Universal Registration Document. All of these items are approved by the French Financial Markets Authority in accordance with the abovementioned Regulation.

01

THE ALBIOMA GROUP

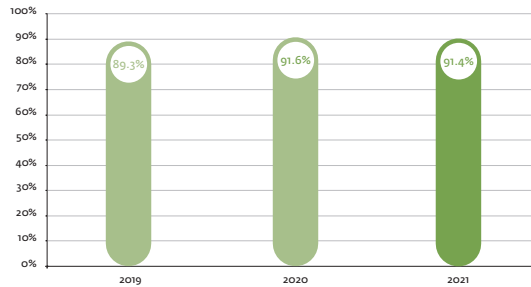
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1.1. History



1.2. Key figures

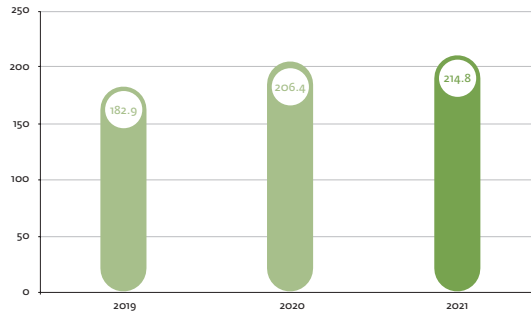
1.2.1. AVAILABILITY OF THERMAL BIOMASS PLANTS^{1,2}



1. Excluding Brazil. Availability: average availability rates of thermal power plants weighted to factor in net power output. The availability rate is the ratio between the maximum energy produced and the maximum demand for energy by the client.
2. 2020 excluding unit 3 of the Albioma Le Moule plant (the unit was shut down between 1 March and 23 November 2020 for conversion to biomass operation).

1.2.2. EBITDA^{1,2}

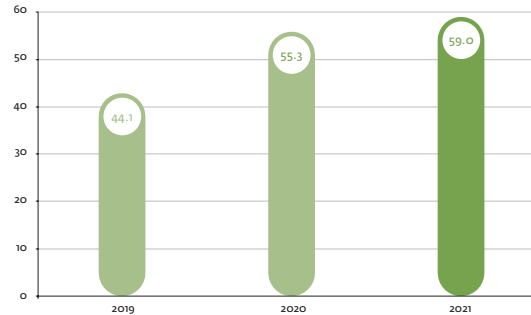
In millions of euros



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

1.2.3. NET INCOME, GROUP SHARE¹

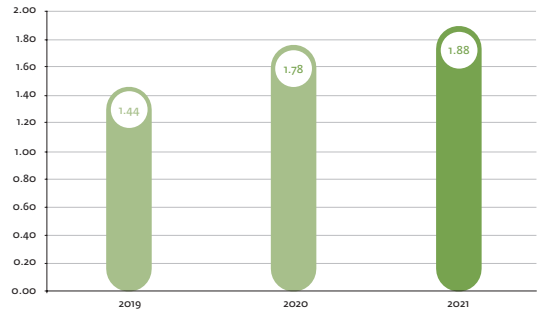
In millions of euros



1. Published data.

1.2.4. CONSOLIDATED BASIC EARNINGS PER SHARE AND DILUTED EARNINGS PER SHARE¹

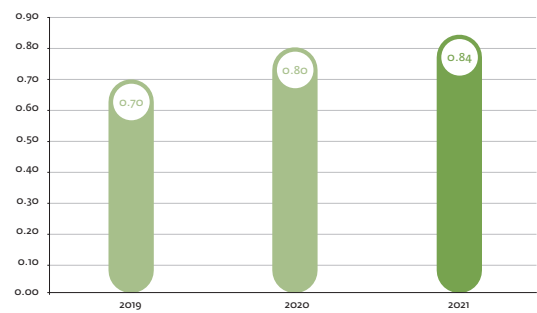
In millions of euros



1. Published data.

1.2.5. DIVIDEND PER SHARE¹

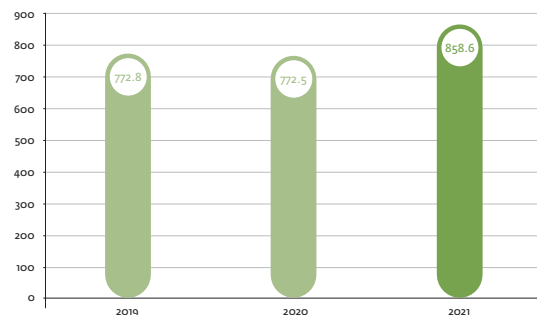
In euros



1. The 2021 dividend will be submitted for approval by the General Meeting to be held on 25 May 2022.

1.2.6. CONSOLIDATED NET DEBT¹

In millions of euros



1. Net debt excluding the application of IFRS 16.

BUSINESS

MODEL

Our resources



Industrial technical expertise

- › **high-efficiency recovery of energy** from bagasse as our traditional model
- › **innovative projects** for storing the intermittent power produced from solar energy
- › the **world's first** power plant to produce energy from sugar cane waste



Our industrial assets

- › more than **1 GW** of installed capacity
- › **16** thermal power stations
- › around **420** solar power facilities
- › **2** geothermal power plants



Our employees

- › **678** employees in France, Brazil, Turkey and Canada
- › **30%** executives, **45%** supervisors and **25%** employees and workers
- › **+6 points** for the equal pay index (85/100)



A robust financial model

- › drawing on project debt to finance around **75%** of our investments, with the balance financed by the Group's own equity and its minority partners



Local roots

- › a unique partnership with the sugar industry for more than **30 years**
- › **trust-based relationships** with electricity distributors and grid managers as well as with public authorities



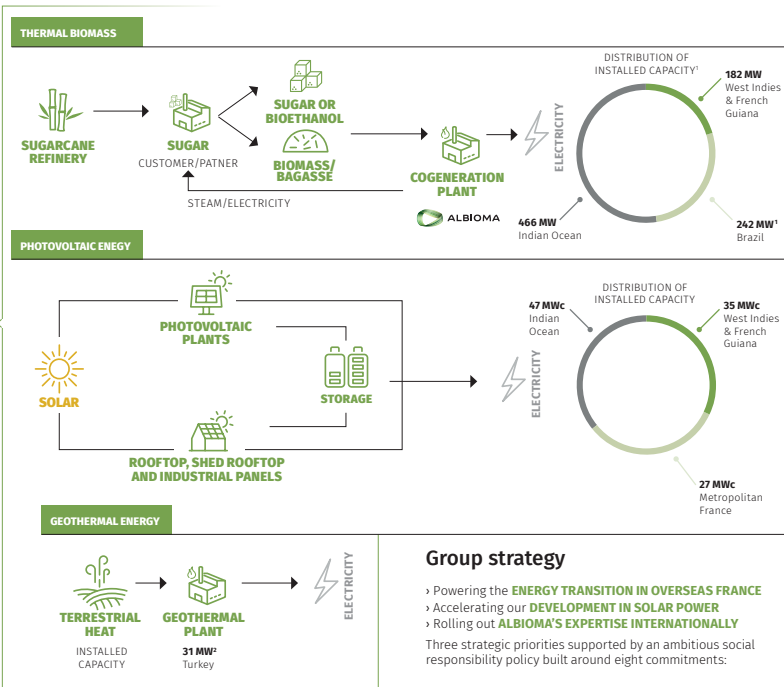
Market share

- › **40%** of all power generated on Reunion Island
- › **29%** en Guadeloupe
- › **18%** en Martinique
- › **45%** à Mauritius¹

1.3. Businesses and main markets

1.3.1. A RESILIENT MODEL BASED ON A UNIQUE LONGSTANDING PARTNERSHIP WITH THE SUGAR INDUSTRY THAT HAS DIVERSIFIED INTO THE LOW-CARBON ECONOMY, CIRCULAR ECONOMY AND RESPONSIBLE ECONOM – OUR GOAL: RENEWABLE ENERGY SOURCES TO EXCEED 90% OF THE GROUP'S TOTAL PRODUCTION BY 2025

Our business: we are an energy producer proactively supporting regional energy transitions



Our value creation in 2021

Economic

- €573 million in revenue
- €215 million in EBITDA
- €59 million in net income, Group share
- €0.84 in dividend per share

Developing a low-carbon economy

- 2.7 TWh of electricity sold
- and 2.3 TWh of steam distributed
- 74% renewables in the energy mix
- 56% reduction in greenhouse gas emissions since 2013

Putting into practice the principles of the circular economy

- 2.3 Mt of bagasse recovered annually
- double the average exported power per tonne of sugar cane achieved in Brazil after plant operation is transferred to Albioma
- 44% of combustion by-products are recovered
- worn solar panels include the producer's extended chain of responsibility

Protecting the environment

- €267 million invested since 2013 to improve our flue gas treatment systems in Overseas France
- 51% of revenue is certified Quality-Safety-Environment
- 1 current research partnership on the recovery of combustion by-products

Investing in human capital

- 117 people recruited in 2021 including 75 permanent employees
- 83% of the workforce is trained

Contributing to local development

- 2.8 million people supplied with electricity³
- 56% of subcontractors are local¹
- €9 million in taxes paid to the regions⁴
- €137 million invested in the French overseas departments and regions in 2021

3. As a percentage of the total purchases of the Thermal Biomass business in France, excluding fuels.
4. Scope: France.

OPERATION

CONSTRUCTION

DEVELOPMENT

Activities



Unless stated otherwise, the quantities shown concern fully-consolidated companies.

1. Scope including companies consolidated using the equity method.
2. Of which 18 MW included in the consolidated financial statements for FY2022.

1.3.1.1. Thermal Biomass

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

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

In France and Mauritius, during the sugar campaign which lasts between four and six months, the plants operate as cogeneration units, with bagasse as the main fuel. Between harvesting campaigns, they operate using a condensing process in the same way as conventional coal-fired power plants. The choice of coal as the auxiliary fuel is justified by its commercial availability at attractive prices, and the ease with which it can be shipped to island locations. It can be used in a hybrid-combustion configuration to supply energy all year round at a competitive cost while complying with European and French atmospheric emissions standards.

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

As part of its strategy to support the energy transition in the various departments and regions of Overseas France, and in line with the objectives defined in France's multiyear energy plans, Albioma launched a plan to replace the use of coal with biomass at its French thermal power plants by 2025, and work to convert the first unit at the Albioma Le Moule plant in Guadeloupe has now been completed.

1.3.1.2. Solar Power

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

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

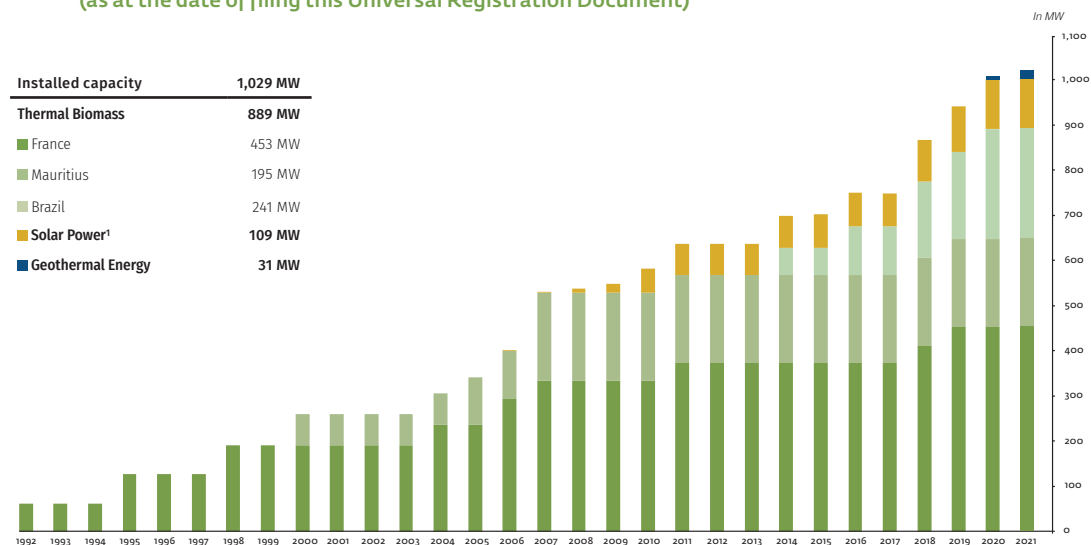
Since 2018, Albioma has accelerated its Solar Power development, not only in Overseas France, but also in Metropolitan France via its acquisition of Eneco France at the end of 2018.

1.3.1.3. Geothermal Energy

In February 2022, the Group announced the acquisition of the Albioma Kuyucak Jeotermal Elektrik Üretim geothermal power plant in Turkey, becoming its sole shareholder. The acquisition of this plant consolidates Albioma's beachhead in this highly technical business. This is the Group's second acquisition in this sector, following the January 2021 purchase of Gümüşköy Jeotermal Enerji Üretim, also in Turkey. Geothermal power converts heat from below the earth's surface into electricity. This locally produced, economically competitive source of renewable energy is available 24/7. Like biomass, geothermal energy is a controllable source of electric power, enhancing the dependability of electricity networks.

Commissioned in 2017, the Kuyucak power plant uses heat from five production shafts to generate electricity under the terms of an operating licence valid until 2042 (with scope to extend for an additional 10-year period). With an installed capacity of 18 MW, the plant exported 83 GWh to the grid in 2021, with a dollarised feed-in tariff of approximately USD 118/MWh, valid until the end of 2022.

1.3.1.4. Albioma Group installed capacity, showing changes and distribution by business sector (as at the date of filing this Universal Registration Document)



1. Including a 0.5 MW hydroelectric plant.

1.3.1.5. Breakdown of the Group's 2021 income from ordinary activities, EBITDA and operational income by business sector

<i>In millions of euros</i>	Income from ordinary activities	EBITDA	Operating income
France – Thermal Biomass	495.0	166.7	109.8
France and Southern Europe – Solar Power	49.1	34.5	10.1
Mauritius	24.1	14.5	9.4
Brazil	5.2	(0.9)	(1.0)
Holding company and others	1.1	(4.1)	(4.5)

1.3.2. RESEARCH AND DEVELOPMENT, PATENTS AND LICENCES

Albioma is an operator that uses the best technology available from suppliers to build or operate efficient and resilient thermal, solar and now geothermal power plants, but it does not design solutions directly. Consequently, the role of the Albioma Group consists of providing competitive intelligence and finding proven innovative solutions rather than itself carrying out research programmes involving it holding patents.

However, the Group has been systematically doing all the following for several years to ensure that its existing and new plants are optimised (operating costs, reliability, efficiency, quality of service provided to the grid and environmental impacts):

- An Innovation Committee meets at least twice a year to select the Group's main technical development priorities, measure progress and, when applicable, accelerate or redirect its actions;
- Since 2017, the Group has been participating in the management of a seed fund managed by Demeter Emertec, which seeks to develop and support start-ups in the energy transition and environmental sector, enabling it to keep abreast of innovations in that sector;
- In 2019, the Group formed a partnership with CEA-Liten to focus on the energy transition in areas including solar power, smart grid management and battery and hydrogen storage, etc. and so carry out a number of study projects associated with its facilities, such as studying solutions for capturing CO₂, minutely analysing plant efficiency, studying methods of recycling Solid Recovered Fuels, studying the lifetime and life cycle of batteries for energy storage, etc. It also conducts regular, structured reviews of the best techniques available, their limitations and the possibilities offered by current development, and hires demonstrators and conducts trials.

Several special initiatives were also launched in 2020, the most notable of which are listed below:

- The Group began work on a thesis with the Laboratory of Materials and Durability of Constructions (LMDC) at INSA Toulouse to study methods of recovering combustion by-products from concrete;
- Albioma partnered with Transdev on Reunion Island to assess the feasibility of using dedicated photovoltaic facilities or the Group's power plants to produce and store hydrogen, and to evaluate the required capacity of such hydrogen facilities in order to power trucks and buses operated by the two partners;

- The Group has begun to model all its thermal power plant cycles in order to obtain the maximum theoretical efficiency, compare it with the actual figures and make any possible improvements.

1.3.3. REGULATORY AND CONTRACTUAL FRAMEWORK

1.3.3.1. Regulatory framework of the French electricity market

General remarks

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

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

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

Environmentally-classified facilities (*Installations Classées pour la Protection de l'Environnement – ICPE*)

The Group operates its industrial installations within a strictly regulated framework, particularly as regards the environment. All of the Group's thermal power plants in France are governed by the statutory and regulatory framework applicable to environmentally classified facilities (ICPE), including those concerning the rehabilitation of sites when the classified activity is discontinued and the provision of financial guarantees for certain facilities (see additional information in section 1.7.3.4 on page 68 of this Universal Registration Document). More generally, the Group's activities are governed by all laws and regulations arising from the transposition into French law of the European directives and regulations on the protection of the environment (including in particular the Industrial Emissions Directive 2010/75/EU of 24 November 2010; see additional information below).

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

comply with the applicable requirements it may face criminal action and the Prefect may also impose administrative sanctions, which can include a temporary ban on operating the installation; the Prefect can even propose its closure by means of a Council of State decree.

Mechanisms for compensating extra costs for public service missions

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

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

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

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

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

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

The priorities for action and the resources implemented to achieve these objectives are set out in multi-year energy plans for each overseas department or region. These plans set out regional energy policy objectives covering the full spectrum of uses (including electric power, heating, cooling

and transport), prioritise the related challenges and guide the management of all forms of energy in the French territories over the ensuing years. They include a separate biomass-to-energy development plan for the overseas departments and regions.

The multi-year energy plans are drawn up by the relevant local authorities and approved by decree. Reunion Island, Guadeloupe, French Guiana and Mayotte published their multi-year plans for the period 2018–2023 in 2017 (and subsequently revised them in 2019). The review process for the period 2023–2028 is currently underway for all regions.

Greenhouse gas emission quotas

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

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

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

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

the regulation, the Group submitted its review files to the Prefect of the relevant department in 2018.

Directive 2018/2001/EU of 11 December 2018 on the promotion of the use of energy from renewable sources

The European directive relating to the promotion of renewable energy use (referred to as “RED II”) was adopted in December 2018; the original requirement for transposition by member States by 30 June 2021 was subsequently revised to 30 June 2022 in France. This directive notably regulates the sustainability of solid biomass fuels, introducing sustainability and greenhouse gas emissions criteria.

Albioma took the directive into account when developing its energy transition strategy (see additional information in Section 1.7.3.1 on pages 69 *et seq.* of this Universal Registration Document).

In preparation for the necessary compliance works, the Group implemented an imported biomass supply chain and obtained the relevant certification (see additional information in Section 1.7.3.3 on pages 64 *et seq.* of this Universal Registration Document). This certification will be renewed in 2022, and rolled out to the Albioma Bois-Rouge facility.

Regulation 2020/852/EU of 18 June 2020 on the establishment of a framework to facilitate sustainable investment

The European Commission adopted the Taxonomy Regulation establishing a framework intended to encourage sustainable investments, in order to direct investments towards economic activities that play a role in achieving environmental goals (see comments in Section 1.7.7 on pages 84 *et seq.* of this Universal Registration Document).

Accordingly, Albioma is required to declare - between 1 January 2022 and 31 December 2022 - the share of its revenue, capital expenditure and operating costs relating to economic activities deemed eligible under the regulation, based on its financial statements for the 2021 financial year.

The Group complied with this requirement (see additional information in Section 1.7.7.3 on pages 85 *et seq.* of this Universal Registration Document).

1.3.3.2. Contractual framework applicable to electricity sales

The Group operates its electricity production facilities under long-term power purchase agreements with the relevant network operators (EDF in France, Central Electricity Board (CEB) in Mauritius, ENDESA in Spain and GSE in Italy). This means that the sale of electricity generated by the Group is guaranteed on a long-term basis. However, the Brazilian and Turkish electricity markets operate in quite a different way.

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

Contractual framework of the Thermal Biomass activity

France

Each Group company operating a base-load thermal power plant in France has entered into one or more long-term agreements with EDF, which provide that the Group will ultimately become the owner of the operating facilities and retain control over the land on which they are built.

Since 2006, the Group’s investments in Thermal Biomass plants in Overseas France fall within the scope of the Ministerial Decree of 23 March 2006 which provides, with regard to calculation of the tax contribution to the public service charges for electricity (CSPE – *contribution au service public de l’électricité*), for an interest rate, before taxes, of 11% on capital invested, in electricity production installations in non-interconnected areas. A government order issued on 6 April 2020, relating to the interest rate payable on capital invested in power generating facilities, power demand management infrastructures and energy storage systems controlled by the network operator in non-interconnected areas, revoked the order of 23 March 2006 and amended the calculation mechanism for this interest rate, which is henceforth determined for each project by an order from the French Energy Minister based on a proposal from the French energy regulator (*Commission de Régulation de l’Énergie* – CRE). This interest rate is the sum of:

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

- a premium of up to 300 basis points, determined by the CRE, based on an analysis of the risks associated with the project, its environmental suitability and any innovative features.

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

Each base load power plant supplies to EDF, as the sole purchaser, available capacity remunerated by a set annual premium, combined with a premium/penalty system, fines and an indexing mechanism. EDF has the right to utilise the power plant's production whenever it wishes, in exchange for payment of the fixed premium, which covers all fixed costs generated by the financing, construction and maintenance of the plant, and the producer's margin.

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

For all contracts and amendments thereto, the fixed premium is reduced in stages, except in the following cases:

- No reductions are applied to the fixed premiums defined for the construction of the Albioma Le Moule 3 power plant and the Galion 1 power plant;

- A straight-line reduction is applied to the fixed premiums set in amendments to the original contracts for the Albioma Bois-Rouge, Albioma Le Gol and Albioma Le Moule power plants to offset the investments made to achieve their compliance and modernisation pursuant to the Industrial Emissions Directive (IED) discussed in section 1.3.3.1 on pages 12 *et seq.* of this Universal Registration Document for all these plants, as well as to the conversion investments needed to replace coal by biomass solely in the Bois-Rouge and Le Moule (unit 3) power plants over the contractual term, although this reduction does not affect the amount of these premiums for offsetting the company's fixed operating costs;

- A straight-line reduction is also applied to the fixed premiums defined for purchase contracts relating to work on the Galion 2 power plant and the Saint-Pierre combustion turbine.

In all cases, the annual nominal value of the fixed premium is linked to a composite index comprising indicators tracing variations in the cost of labour and equipment.

The following table shows the reductions in the fixed premium to be applied in the future, and the expiry dates for contracts for thermal power plants in Overseas France, which may be extended by an amendment to the contract.

<i>In thousands of euros</i>	01/01/2023	01/01/2024	Expiry
Albioma Bois-Rouge 1 (Units 1 & 2)	-	-	2042-2043
Albioma Bois-Rouge 2 (Unit 3)	-	-	2039
Albioma Le Gol A (Units 1 & 2)	(3,126)	-	2030
Albioma Le Gol B (Unit 3)	-	-	2030
Albioma Le Moule (Units 1 & 2)	-	(3,393)	2033
Albioma Le Moule (Unit 3)	No reduction of fixed premium		2040
Albioma Galion 1	No reduction of fixed premium		2031
Albioma Galion2	Straightline reduction over contractual term		2048
Albioma Saint-Pierre	Straightline reduction over contractual term		2044
Additional fixed "IED" premiums and conversion of ALM-3 and Albioma Bois-Rouge	Straightline reduction over contractual term		n/a

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

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

In order to manage long-term risks, the agreements contain a safeguard clause designed to maintain the economic balance of the agreement in the event of any unforeseeable new circumstances beyond the producer's control that affects the balance.

Mauritius

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

The electricity purchase price is based on:

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

Brazil

The Brazilian electricity market essentially consists of the following:

- a regulated market (64% of consumption), on which electricity is purchased by distribution companies only, by means of a competitive-bidding process resulting in electricity purchase agreements awarded on the basis of the lowest price. The electricity is then sold under purchase agreements with a term ranging from 15 to 30 years;
- a free market (36% of consumption), on which agreements are negotiated bilaterally with brokers and large industrial and commercial customers (terms and conditions, duration, index-linking formula), generally for a period of between one and five years depending on the price structure.

The regulated market remains larger than the free market. However, recent regulatory changes and technological inventions are likely to influence free market volumes, reducing the regulatory market's dominance of the Brazilian electricity market.

Electricity produced can also be sold on a spot basis, like all commodities. The sale price corresponds to electricity prices on the market on the date of sale, subject to application of an annual minimum and maximum threshold set by the federal government (BRL 56/MWh and BRL 647/MWh, respectively, for 2022).

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

The contractual framework governing electricity sales in Brazil requires the Group to strike a balance between the

need to secure a significant share of production over the medium or long term on the open or regulated markets, and the benefit of moderate exposure to the spot market, in order to capitalise on higher prices during periods of water stress, in particular.

In 2021, Brazil experienced its most severe drought in 91 years, which had a significant impact on spot prices. Prices reached record highs during the third quarter, due to the risk of instability in the electricity grid encountered in September and October.

However, during the rainy season (October), Brazil saw above-average rainfall in the region where its largest reservoirs are located. The national grid manager continued to maximise thermal power generation, allowing water levels in reservoirs to rise above the necessary emergency threshold. During this period, electricity prices fell to their lowest level.

Contractual framework of the Solar Power activity

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

In France, many of the Group's photovoltaic facilities operate within the framework of the tariffs set in the government order of 10 July 2006. A smaller number operate under the tariffs defined in the government orders of 12 and 15 January 2010 and 16 March 2010 (see additional information relating to tariff changes defined in the 2021 Finance Act, in Section 3.2.2.2 on page 152 of this Universal Registration Document).

For facilities commissioned after 2010, new pricing conditions were defined in a government order dated 4 March 2011, following the moratorium introduced by Decree 2010-1510 of 9 December 2010 which, subject to certain exceptions, suspended the purchasing obligation for new projects. With the exception of ground-based installations and installations on buildings with a capacity in excess of a certain threshold, electricity generated by photovoltaic installations is purchased at a preferential tariff, which is reduced from time to time on the basis of the accumulated capacity of the installations. Ground-based installations and installations on buildings with a capacity above a certain threshold are, however, now operated within a competitive-bidding framework. As a result of this change, some of the Group's photovoltaic projects, particularly those with integrated storage technologies, are no longer covered by the preferential tariff and fall within the competitive-bidding framework.

Contractual framework of the Geothermal business

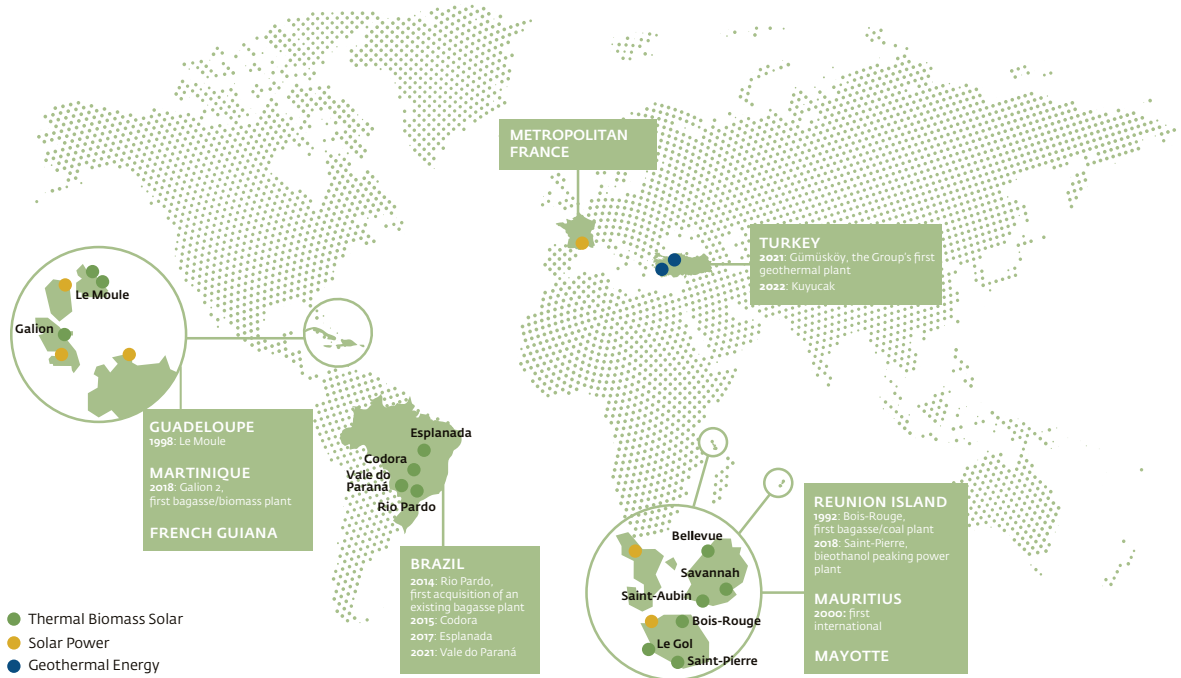
Turkey

In Turkey, the electricity produced from geothermal energy is sold under long-term power purchase agreements with a legally guaranteed feed-in tariff agreed with the privately-owned Turkish electricity market operator Enerji Piyasaları İşletme (EPIAS). As a result, all the electricity produced is sold into the grid (prioritising the injection of renewable energies) as part of the legal measures providing support for renewable energies. In February 2021, the Turkish government announced a new feed-in tariff scheme for facilities producing electricity from renewable energies if they are commissioned for five years starting from the

second half of 2021. The new feed-in tariff is valid for ten years, with a premium during the first five years for some equipment manufactured in Turkey. The new feed-in tariff is denominated in Turkish liras; 52% of its value is pegged to Turkish production and consumer price indices, with the remaining 48% pegged to the euro and dollar exchange rates. The resulting final price is capped at USD 86/MWh (excluding the premium for Turkish-made equipment).

At the end of the feed-in tariff period, electricity produced by geothermal power plants will be sold via new power purchase agreements with private or public sector customers, and/or on the electricity spot market.

1.3.4. PRINCIPAL MARKETS

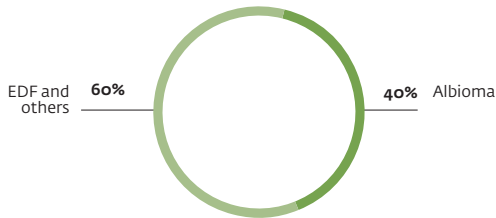


1.3.4.1. Albioma: a front-line player in the electricity production sector in the overseas departments and regions and Mauritius

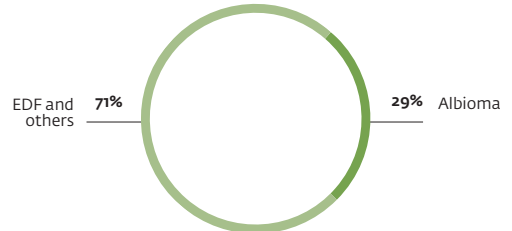
Albioma is a leading electricity producer in Overseas France alongside EDF, and is a key partner of the Mauritius Central Electricity Board. The Group positions itself vis-a-vis electricity network managers on the alternative energy production market segment. It can meet base-load electricity needs,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

Proportion of total electricity production generated by the Group in the overseas departments and Mauritius in 2021¹

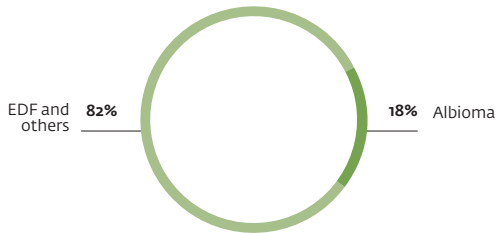
Reunion Island



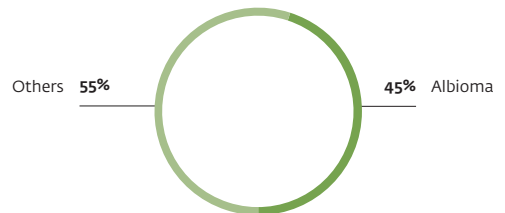
Guadeloupe



Martinique



Mauritius



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

1.3.4.2. Biomass combustion for electricity generation

Overview of the global market

This market reflects the worldwide rising trend in electricity production by thermal power plants, borne out from year to year. Production is boosted not only by the general factors underpinning the steady increase in electricity demand (population growth, economic development and rising consumption standards in emerging nations, etc.) but also by a series of specific factors:

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

At global level, electricity production from biomass grew at an average rate of 5.7% per year over the period 2014–2020, compared with an average annual growth rate of 1.6% for total electricity production, and 5.8% for total power generation from all renewable energy sources¹. A steadily increasing number of coal-fired power plants – some of which will fail to comply with the forthcoming new European environmental standards – are being converted to operate as either dual-fuel coal/biomass or all-biomass plants.

In 2020, some 602 TWh of electricity, representing 2.2% of the global total, was produced from biomass, making it the fourth-largest source of renewable energy (total output from renewables: 7,497 TWh), after hydro-electricity (4,370 TWh), wind power (1,649 TWh) and solar power (821 TWh)².

As regards renewable power generation over the 2014–2020 period throughout the European Union, biomass-fuelled electricity production grew at an average annual rate of 4.1% in Europe (compared with 0.4% for total electricity production and 4.1% for electricity production from all renewable sources). In 2020, biomass was used to generate 205 TWh of electricity in this region, representing 7.4% of total electricity production (2,781 TWh) and 18.9% of electricity production from renewable sources. This figure of 205 TWh ranks biomass among the main renewable sources, after hydro-electric power and wind power.

Regarding the French market over the same period, solid biomass-fuelled power generation grew at an average annual rate of 15.7% in France (compared with a rate of 5.4% for renewable production) while total electricity production slipped by 1.3% over the period). In 2020, solid biomass was used to produce 3.0 TWh³ of electricity in France, representing 0.6% of total electricity production (501 TWh) and 2.3% of renewable production. Based on this figure of 3.0 TWh, solid biomass ranked as the fourth-largest renewable source over the studied period, after hydro power (65.1 TWh), wind power (39.7 TWh) and solar power (12.6 TWh⁴).

Strong positions in the French overseas departments and regions and Mauritius

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

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

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

1. Source: REN21, *Renewables Global Status 2021*.
2. Source: REN21, *Renewables Global Status 2021*.
3. Source: RTE, *Bilan électrique 2020*.
4. Source: RTE, *Bilan électrique 2020*.

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

Overview of the Brazilian market

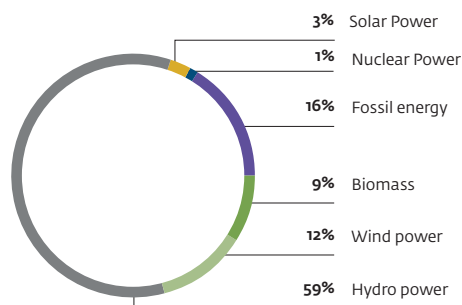
An exceptionally deep market

A total of 523.11 million tonnes of sugar were harvested during the 2021/2022 campaign, down 13.6% year-on-year. The decreased volume was attributable to lower farm productivity, caused by a prolonged drought, wildfires in September, and frost that affected more than 10% of harvested areas.

As in previous years, south central Brazil prioritised sugar production during the 2021/2022 harvest, increasing sugar mill yields. The region produced 32.06 million tonnes of sugar and 27.55 billion litres of ethanol between April 2021 and March 2022, representing a 45% sugar-based mix.

There are currently more than 330 sugar and ethanol refineries operating in Brazil, making it the world's deepest bagasse-to-energy market. Currently, 9% of the country's electricity is produced by recovering bagasse, despite mediocre performance by existing cogeneration units (with an average of around 35 kWh/tonne of cane exported to the electricity grid, compared with 120 kWh/tonne of cane by the Group's most efficient plants in Overseas France).

Brazilian energy mix in 2021



An expanding market

The Brazilian electricity market, which has a greater installed capacity (183 TW¹) than France (136 TW) but serves a population three times as large, offers considerable growth potential. According to the latest version of the 10-year energy development plan published by the Ministry for Mining and Energy, covering the period 2021–2031, energy consumption is forecast to grow at an average annual rate of 2.3%. The market share accounted for by renewable energies (including hydro-electric, wind, solar and biomass power) is expected to increase by 7% between 2021 and 2031 (to 94% of the country's installed capacity in 2031) driven by increases in solar and wind power facilities.

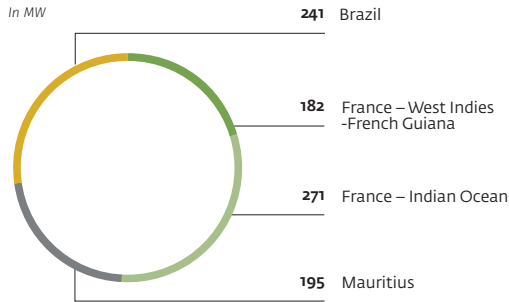
Sugar and ethanol

The outlook for the 2022/2023 harvest, particularly in the south central region of Brazil, is bright, as a result of favourable weather conditions. Farm productivity is forecast to recover by more than 7%, as a result of which, available sugar cane volumes are expected to increase by 4.5%, from 523 to 551 million tonnes.

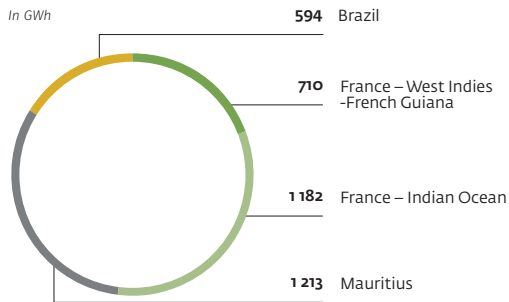
Sugar mills are likely to configure their production mix to prioritise sugar during the 2022/2023 harvest, although to a slightly lesser extent than in the previous two harvests. However, sugar mills are also seeking greater flexibility in terms of their production capabilities, allowing them to quickly switch to the most profitable product throughout the season. If ethanol remains attractive, for example, whether due to a strong real or to a rise or fall in petrol prices, the production mix could be geared towards ethanol. However, a certain balance must be maintained at regional level over the course of the year, to avoid erratic production mix behaviour.

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

Installed capacity of the Thermal Biomass activity by geographic region as at 31 December 2021



Installed capacity of the Thermal Biomass activity by geographic region as at 31 December 2021



1.3.4.3. Photovoltaic electricity generation

A steadily growing global market

At global level, photovoltaic installed capacity has grown very strongly from a baseline of 40 GWp in 2010, reaching 760 GWp in 2020. The global photovoltaic power fleet has been expanding exponentially since 2010, despite the economic and financial crises. While Europe was the driving force behind the installation of new production facilities at the start of the millennium, China, the US, India and Japan remained leading contributors to growth in 2020. The world's emerging markets have contributed significantly to the growth of this market¹.

In France, the photovoltaic power market continues to grow at a steady rate. In 2010, production facilities represented an installed capacity of 1 GWp; by the end of December 2020, the installed capacity had risen to 10.9 GWp (including 432 MWp in Overseas France²). The number of new solar power facilities connected to the French electricity grid was stable in 2020, with capacity of 973 MWp connected over the year, excluding the many projects still in the pipeline³.

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

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

The Group adapts the pace at which it is developing this activity, and the corresponding locations, to reflect the changing mechanisms and regulations applicable in its target regions, while prioritising the construction of photovoltaic plants with storage capabilities.

In 2021, Albioma accounted for 16% of the total photovoltaic installed capacity in the Antilles-French Guiana region, and 18% of the Indian Ocean region, making the Group the leading producer of photovoltaic energy in the overseas departments and regions⁴.

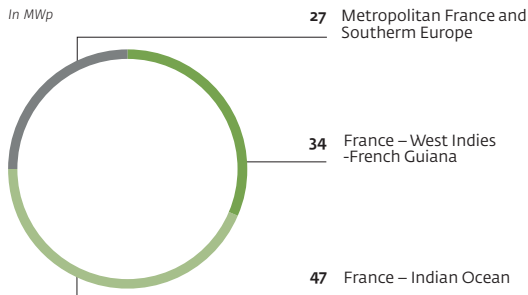
1. Source: REN21, Renewables Global Status 2021.

2. Source: <https://www.statistiques.developpement-durable.gouv.fr>.

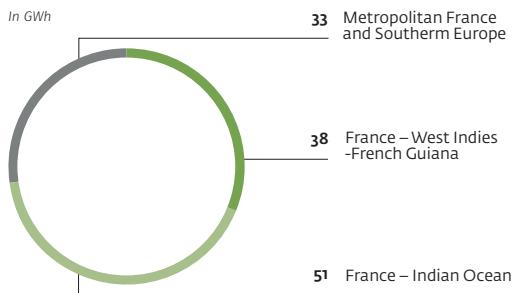
3. Source: Albioma internal statistics and EDF SEI connection data.

4. Source: Albioma internal statistics and EDF SEI connection data.

Solar power installed capacity by geographic region as at 31 December 2021



Power generation by the solar energy business in 2021, by region



1.3.4.4. Geothermal electricity generation market

A growing global market

Global geothermal installed capacity rose to 14.1 GW in 2020 (+0.2 GW up on 2019). Geothermal energy generated 0.4% (97 TWh) of global electricity production. In a context marked by the Covid-19 pandemic, the global geothermal fleet grew more slowly, with 134 MW of installed capacity added in 2020, primarily in Turkey (+99 MW). As at the end of 2020, the US (2.6 GW), Indonesia (1.9 GW) and the Philippines (1.9 GW) were the world's leading geothermal power producers¹.

Turkey is the world's fourth biggest geothermal power producer with nearly 1.6 GW of installed capacity as at the end of 2020, but the biggest for new production capacity installed in 2020. The state aims to achieve nearly 3 GW of installed capacity by the end of 2023, representing a geothermal potential of around 4.5 GW².

1.4. Strategic priorities and investment policy

1.4.1. THREE STRATEGIC PRIORITIES, ONE GOAL: RENEWABLE ENERGY SOURCES TO EXCEED 90% OF THE GROUP'S TOTAL PRODUCTION AND COAL USE TO END IN OVERSEAS FRANCE BY 2025

1.4.1.1. Powering the energy transition in Overseas France

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

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

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

The Group's first area of contribution consists in replacing coal with new types of sustainable biomass at its four existing bagasse/coal thermal power plants in France. The Energy Transition Act presents a unique opportunity to decarbonise Albioma's output. Plants will soon be fuelled by bagasse during the sugar campaign, and by other types of biomass during the rest of the year. The conversion of coal-fired units has already been factored into the multi-year energy plans for French overseas departments and regions. The resulting conversion of unit 3 of the Le Moule power plant in Guadeloupe was completed in the 2020 financial year, and conversion work at the Bois-Rouge power plant on Reunion Island began in 2021. Conversion works at the Le Gol plant on Reunion Island will commence in 2022, following on from the CRE's decisions defining remuneration terms for the corresponding investments.

1. Source: REN21, Renewables Global Status 2021.

2. Source: ThinkGeoEnergy Research 2019.

The Group's work has focused on using local sources of biomass while avoiding conflicting uses, and more specifically on using other types of waste generated by the sugar cane process, such as sugar cane chaff and distillery bagasse, which is currently not recovered or only on a marginal basis. Fostering the emergence of local supply chains, which in time will cover 30 to 40% of the procurement requirements of bagasse/biomass facilities, is a major socio-economic issue for these regions. In addition, the Group will import biomass in the form of wood pellets to satisfy network needs. The Group will need to ensure that the identified supply sources are certified, so that the imported biomass, which has a much better carbon footprint than imported coal, can qualify as a sustainable source. The 2021 acquisition of the La Granaudière wood pellet plant in Canada will play a role in diversifying Albioma's sustainable biomass supply sources, and securing and regionalising supplies for the Group's plants in the French Caribbean.

The Group's second area of contribution involves it continuing to develop its 100% renewable energy production plants, thereby helping to provide a stable electricity supply in isolated areas or ones cut off from continental power generation. This strategic stance is fully embodied by the Group's decision to step up development of its offering of photovoltaic electricity production facilities with integrated energy storage and services for dedicated energy storage networks.

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

1.4.1.2. Accelerating development in solar power

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

The Group is pursuing its development by entering specific profitable market segments (small and medium-sized rooftops, storage, onsite consumption and property with no conflicts of use) and developing innovative technologies, with the aim of consolidating its market leadership in Overseas France and strengthening its market position in Metropolitan France.

The Group has also decided to accelerate its investment in small projects eligible for the guaranteed power purchase scheme, not only in Overseas France, but also in Metropolitan France. This profitable market segment offers a clear picture of potential volumes (around 1 GWh a year for the segments targeted by the Group). The Group also intends to consolidate its portfolio through selective acquisitions.

1.4.1.3. International roll-out of Albioma's expertise

The Group's traditional model based on the high-efficiency recovery of bagasse, which it uses in Mauritius where it operates three bagasse/coal power plants and where it has developed a new project to equip the last sugar mill on the island with a high-pressure cogeneration plant, was rolled out to Brazil in 2014. As the world's leading sugar producer, the Group naturally identified Brazil as a priority vector for its future international development. The Group operates four Brazilian plants, each of which uses bagasse all year round. The Group's unparalleled expertise enables it to tap into a major source of productivity, as the cogeneration plants used by the sugar mills tend to have very low generation efficiency rates which the Group can improve upon quite substantially.

Roll-out of the traditional model elsewhere in the world remains a strategic priority. Other sugar cane producing countries are currently being considered from either a geographic perspective – for example, to support Albioma's sugar industry partners' growth or to develop new projects in Latin America and Asia – or a business perspective, as we seek to harness other forms of renewable energy. This strategic priority led the Group to enter the geothermal energy sector in late 2020, with the acquisition of a 13 MW power plant in Turkey. This bridgehead was consolidated in early 2022 with the acquisition of a second plant located in the same region. Developing this geothermal energy business represents a major opportunity for the Group: this form of energy is locally produced, renewable and economically competitive. Like biomass, geothermal energy is a controllable source of base-load power that is available on a 24/7 basis, enhancing the stability of electricity networks.

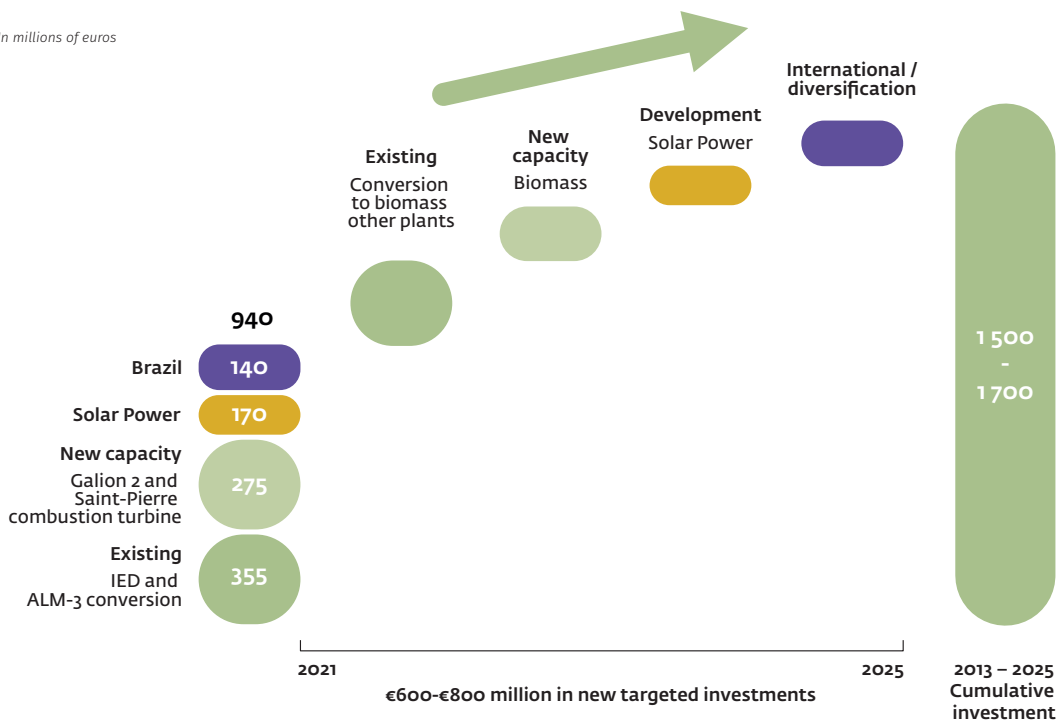
1.4.2. €940 MILLION ALLOCATED TO CAPITAL EXPENDITURE OVER THE PERIOD 2013–2021, WITH AN ADDITIONAL €600 TO €800 MILLION TO BE ALLOCATED BY 2025

The Group plans to allocate €600–€800 million to development expenditure by 2025, devoted to:

- converting the coal-fired units in the thermal power plants operating in Overseas France for biomass operation;
- developing new all-biomass production facilities;
- ramping up development of the Group's solar fleet;
- pursuing the Group's international development and diversifying its mix (by continuing the rollout in Brazil to reach critical mass, penetrating new national markets where appropriate, and continuing to develop a geothermal energy offering).

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

In millions of euros



1.5. Organisation

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



THERMAL BIOMASS

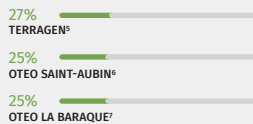
FRANCE – WEST INDIES-FRENCH GUIANA



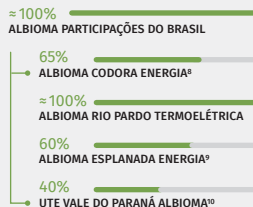
FRANCE – INDIAN OCEAN



MAURITIUS

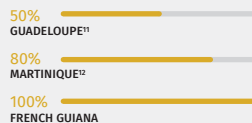


BRAZIL

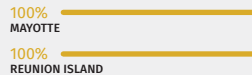


SOLAR POWER

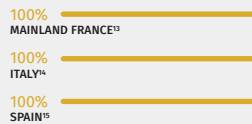
FRANCE – WEST INDIES-FRENCH GUIANA



FRANCE – INDIAN OCEAN

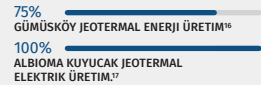


MAINLAND FRANCE – SOUTHERN EUROPE



GEOHERMAL POWER

TURKEY



- Albioma Caraïbes was taken over by Albioma le Moule following the merger of the two entities on 31 July 2018.
- With COFEPP Group.
- With Tereos Group.
- With the COFEPP and Tereos Groups.
- The Group owns 27% of Terragen together with Terra Mauricia Ltd Group (Terragri Ltd), a cooperative investment company owned by sugar industry workers in Mauritius (Sugar Investment Trust) and the State Investment Corporation, a public sector company in Mauritius.
- The Group owns 25% of Omnicane Thermal Energy Operations Saint-Aubin, together with Omnicane Group and Sugar Investment Trust.
- The Group owns 25% of Omnicane Thermal Energy Operations La Baraque, together with Omnicane Group and Sugar Investment Trust.
- With Jalles Machado Group. In August 2015, Codora Energia was acquired through Albioma Codora Participações, a subsidiary of Albioma Participações do Brasil. Albioma Codora Participações was then absorbed into Codora Energia (now called Albioma Codora Energia) by means of a reverse takeover.
- With Jalles Machado Group.
- With Vale do Paraná – Álcool e Açúcar Group.
- The Group owns 50% of Albioma Energipole Solaire together with Energipole Group.
- The Group owns 80% of Albioma Solaire Habitat, Albioma Solaire Antilles and Albioma Solaire Lassalle together with COFEPP Group.
- On 11 December 2018, the Group acquired 100% of Eneco France, now called Albioma Solaire France.
- Companies in the Quant Energia sub-group.
- Companies in the Sun Developers and Sun Orgiva sub-groups.
- On 26 January 2021, the Group purchased a 75% shareholding in Gümüşköy Jeotermal Enerji Üretim, alongside Egestim Otomotik Kontrol.
- On 14 February 2022, the Group acquired all the share capital of Albioma Kuyucak Jeotermal Elektrik Üretim.

¹ There is no decorelation between equity holdings and voting rights within the Group. The revenue reported by the larger Group subsidiaries is stated in Note 19 to the financial statements for the 2021 financial year, in Section 5 on pages 248 et seq. of this Universal Registration Document.

1.5.2. ADDITIONAL INFORMATION ON THE GROUP'S LEGAL STRUCTURE

1.5.2.1. Project companies

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

A list of all fully consolidated companies or associates as at 31 December 2021 is provided in Note 40 to the consolidated financial statements for the 2021 financial year in Section 4 on pages 216 *et seq.* of this Universal Registration Document.

1.5.2.2. Main changes to the legal structure over the 2021 financial year

The following transactions took place in 2021:

- Albioma acquired a 75% stake in Gümüşköy Jeotermal Enerji Üretim in Turkey on 26 January 2021;
- Albioma Solaire France sold all the shares it held in OTS and Volta Environnement to Volta Entreprise on 21 April 2021;
- Società Pantelleria Geotermia Verde was incorporated in Italy on 17 June 2021. All its shares are held by Albioma;
- Albioma Nevis Inc. was incorporated on the island of Nevis (St Kitts and Nevis) on 5 October 2021. The Company was originally wholly owned by the law firm Joseph Rowe, but all shares were transferred to Albioma on 14 December 2021, with the Company subsequently transferring 20% of those shares to the Nevis Island Administration on 15 December 2021;
- 9455-8624 Québec Inc (Biomasse du Lac Taureau) was incorporated in Canada on 3 December 2021. The company is wholly owned by Albioma.

The following transactions took place in early 2022:

- Albioma acquired all the share capital of Turcas Kuyucak Jeothermal Elektrik Uretim in Turkey. The company was renamed Albioma Kuyucak Jeothermal Elektrik Uretim on 14 February 2022;
- Albioma acquired all the share capital of Centrales Solaires Iouanacera on 4 March 2022.

1.5.2.3. Property, plant and equipment

The Group's property, plant and equipment is described in Note 16 to the consolidated financial statements for the 2021 financial year in Section 4 on page 190 of this Universal Registration Document.

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

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

Assets	Status	Location	Activities	Total gross capacity (MW)	Land tenure	Facility tenure
Albioma Bois-Rouge 1 (Tranches 1 and 2)	In operation	Reunion Island	Bagasse/coal cogeneration	60.0	Emphyteutic leases	Freehold
Albioma Bois-Rouge 2 (Unit 3)	In operation	Reunion Island	Bagasse/coal cogeneration	48.0	Construction lease	Freehold
Albioma Le Gol A (Units 1 & 2)	In operation	Reunion Island	Bagasse/coal cogeneration	64.0	Freehold	Freehold
Albioma Le Gol B (Unit 3)	In operation	Reunion Island	Bagasse/coal cogeneration	58.0	Freehold	Freehold
Albioma Saint-Pierre	In operation	Reunion Island	Peaking thermal bio-ethanol / heating oil	41.0	Freehold	Freehold
Albioma Le Moule (Units 1 & 2)	In operation	Guadeloupe	Bagasse/coal cogeneration	64.0	Freehold	Freehold
Albioma Le Moule (Unit 3)	In operation	Guadeloupe	Coal-fired base-load thermal	38.0	Freehold	Financial lease
Albioma Galion 1	In operation	Martinique	Peaking thermal (heating oil)	40.0	Construction lease	Freehold
Albioma Galion 2	In operation	Martinique	Biomass cogeneration	40.0	Emphyteutic leases	Freehold
Terragen	In operation	Mauritius	Bagasse/coal cogeneration	70.0	Freehold	Freehold
OTEO Saint-Aubin	In operation	Mauritius	Coal cogeneration	35.0	Freehold	Freehold
OTEO La Baraque	In operation	Mauritius	Bagasse/coal cogeneration	90.0	Freehold	Freehold
Solar Power – Indian Ocean	In operation	Reunion Island, Mayotte	Ground-mounted and rooftop solar	47.1	Common-law and emphyteutic leases	Lease with purchase option
Solar Power – West Indies	In operation	Guadeloupe, Martinique, French Guiana	Ground-mounted and rooftop solar	18.4	Common-law and emphyteutic leases	Freehold and lease with purchase option
Solar Power – French Guiana	In operation	French Guiana	Ground-mounted solar	16.0	Emphyteutic leases	Freehold and lease with purchase option
Solar Power – Spain	In operation	Spain	Ground-mounted solar	2.4	Emphyteutic leases	Financial lease
Solar Power – Italy	In operation	Italy	Ground-mounted solar	2.0	Emphyteutic leases	Financial lease
Solar Power – Metropolitan France	In operation	Metropolitan France	Ground-mounted and rooftop solar	22.9	Emphyteutic leases, administrative emphyteutic leases, construction leases, public works agreements, agreements concerning occupancy of the public domain, common-law leases	Freehold
SECL	In operation	Metropolitan France	Hydroelectric power	0.5	Freehold	Freehold
Albioma Rio Pardo Termoelétrica	In operation	Brazil	Biomass cogeneration	60.0	Use free of charge	Freehold
Albioma Codora Energia	In operation	Brazil	Biomass cogeneration	68.0	Use free of charge	Freehold
Albioma Esplanada Energia	In operation	Brazil	Biomass cogeneration	65.0	Use free of charge	Freehold
Albioma Vale do Paraná	In operation	Brazil	Biomass cogeneration	48.0	Use free of charge	Freehold
Gümüşköy Jeotermal Enerji Üretim	In operation	Turkey	Geothermal Energy	13.0	Freehold and joint ownership	Freehold and financial lease
Albioma Kuyucak Jeotermal Elektrik Üretim	In operation	Turkey	Geothermal Energy	18.0	Freehold and emphyteutic leases	Freehold

1.5.3. FUNCTIONAL ORGANISATION AND EXECUTIVE COMMITTEE

1.5.3.1. Functional organisation

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

- the Industrial Department, which encompasses the Safety Department, the Operations Support Department, the Maintenance Support Department, the Construction Projects Department and the Procurement and CRE Relations Department;
- the Development and New Businesses Department, which is responsible for the Group's international development and new business lines; this Department is also responsible for overseeing operations in Mauritius;
- the Administrative and Finance Department, which encompasses the Accounting Department, the Management Control Department, the Legal Affairs Department and the IT Transition Department; it is also responsible for financing, mergers and acquisitions, and investor relations;
- the Human Resources Department, which is responsible for labour-management relations, skill development and payroll management;
- the CSR and Environment Department, which leads sustainable development initiatives and oversees environmental issues.

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

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

The Solar Power region comprising Metropolitan France and Southern Europe, the Geothermal Energy business in Turkey and the Thermal Biomass business in Mauritius are managed separately.

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

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

1.5.3.2. Executive Committee

Frédéric Moyne

Chief Executive Officer

Born on 15 October 1975, Frédéric Moyne is a graduate of the Ecole des Hautes Etudes Commerciales (HEC). He started his career at Air Liquide in 1998. In 2001, he joined Séchilienne-Sidec, since renamed Albioma, as an Assistant to the Chief Executive, in charge of the financing of Group projects and purchasing. From 2005 to 2008, he was Director of Financing and Investor Relations. Between 2008 and 2011, he served as Head of Southern Europe, which area was then extended to include Metropolitan France, while at the same time retaining some of his previous responsibilities. In 2012, he was appointed Chief Operating Officer in charge of Renewable Energy (Wind / Solar / Anaerobic Digestion) and Group strategy. He was asked to head business development in Brazil in 2013. The Board of Directors appointed him Chief Executive Officer from 1 June 2016, following the separation of the roles of Chairman of the Board of Directors and of Chief Executive Officer and then Chairman of the Board of Directors at its 27 May 2019 meeting at which it decided to combine the roles of Chairman of the Board of Directors and of Chief Executive Officer.

Pascal Langeron

Chief Operating Officer – Reunion Island – Mayotte
Regional Director

Born on 7 May 1963, Pascal Langeron is a graduate of the Université de Technologie de Nîmes. He started his career as a technician at APAVE Marseille in 1986. Between 1991 and 1994, he worked for Compagnie Thermique De Bois-Rouge. He then joined Séchilienne-Sidec, since renamed Albioma, where he was successively the Manager of Compagnie Thermique de Bois-Rouge, the Manager of Compagnie Thermique du Moule, Deputy Chief Executive Officer of Compagnie Thermique de Bois-Rouge and Head of the Indian Ocean area. Chief Operating Officer in charge of activities in France from 2012 to 2016, in 2017 he was asked to head up the Industrial Department before being appointed Reunion Island – Mayotte Regional Director in 2019.

Louis Decrop

Chief Operating Officer – Development and New Businesses

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

Julien Gauthier

Chief Operating Officer Finance

Born on 23 February 1977, Julien Gauthier is a graduate of the Ecole des Hautes Etudes Commerciales (HEC). He started his career at Lehman Brothers, London, where he worked on mergers and acquisitions throughout Europe. He then joined Barclays' structured finance division, where he arranged financing packages for French SMEs. In 2007, he joined Apax Partners as Principal – Business Services investment portfolio, where he also had responsibility for arranging financing for acquisitions and companies in the portfolio. In 2012, he joined Albioma as Chief Financial Officer, and was appointed Chief Operating Officer in charge of finance in 2015.

Xavier Becquey

Industrial Director

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

Paul Mayer

Human Resources Director

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

Nicolas de Fontenay

West Indies-French Guiana Regional Director

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

Christiano Forman

Brazil Regional Director

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

of a number of facilities and contributed to building up the group's largest order book. He joined Albioma in 2015, and is currently the Brazil Regional Director in charge of Group activities and development.

1.6. Risk management and internal control

1.6.1. RISK FACTORS

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

The Company has put in place an internal control system, including risk management procedures, in order to prevent and control these risks. These internal control and risk management procedures are described in Section 1.6.2 on pages 39 *et seq.* of this Universal Registration Document. It is nevertheless not possible to eliminate all risks. Moreover, other risks of which the Group is currently not aware or are not considered material as of the date of filing of this Universal Registration Document might have a similar adverse impact in the future as to those discussed below.

To facilitate informed investment decision-making in accordance with applicable regulations, the major risks (based on their probability of occurrence and estimated negative impact, and considering the corresponding risk management mechanisms) are grouped together in a limited number of categories below. The risks presented below are therefore “net” risks. The most significant risk factors in each category are described first. Financial risks are addressed separately, inasmuch as they do not belong in the major risks category for the Group, the Group’s residual exposure to these risks being considered very limited.

Category	Nature	Principal risks	Residual exposure
Operational risks	Risks arising from operating incidents	x	Significant
	Risk associated with the disposal of combustion and flue gas treatment by-products	x	Significant
	Risk of internal control failures and risk of fraud	x	Moderate
	Pandemic risk		Moderate
	Business ethics risks		Moderate
	Development risks		Moderate
	Country-related risks		Limited
Industrial and environmental risks	Personnel safety risks	x	Significant
	Accident and environmental damage risks	x	Significant
	Risks relating to climate conditions and the effects of climate change		Limited
Labour relations risks	Risk of strikes	x	Moderate
Risk of dependency on third parties	Risks to supply	x	Moderate
	Credit and counterparty risks, other risks relating to dependency on clients and suppliers		Limited
Legal risks	Risk associated with regulatory and public policy context changes	x	Significant
	Non-compliance risks	x	Moderate
	Risks of disputes		Limited

1.6.1.1. Operational risks

Risks relating to operating incidents

Description of the risk	Management examples
<p>The operation of industrial units entails a risk, which cannot be totally eliminated, relating to industrial accidents, production facility malfunctions, machine breakages, safety shortcomings, or disruptions to plant operation due to compliance works associated with new regulatory requirements.</p> <p>Such incidents may render part or all of the production facility unavailable, either immediately after the incident or subsequently (for example if a scheduled maintenance shutdown must be extended in order to resolve the incident, in cases where such action may be postponed). In certain cases, unavailability of a facility may significantly impact the Group's trading results.</p>	<p>To reduce these risks, the Industrial Department oversees the maintenance programmes at Albioma's facilities, including in particular management of scheduled production outages. Production equipment suppliers are strictly monitored to ensure that delivered items meet optimal reliability standards. Furthermore, equipment renewal procedures are applied, to mitigate the costs of replacement operations and related down-time. Operational management of maintenance is now based on tools and methods designed to achieve a greater level of control over work, and is implemented in medium-term maintenance plans based on an analysis of risks and the criticality of equipment. The industrial accident risk management system also entails management of stocks of strategic spare parts.</p> <p>The procedures and certifications intended to reduce the risk of industrial accidents occurring are described in Section 1.7.3.4 on pages 67 et seq. of this Universal Registration Document.</p> <p>The handover of new facilities to operators is governed by strict procedures that significantly reduce the risk of malfunctions during industrial commissioning, as well as the systemic impact of such malfunctions on overall plant availability.</p> <p>As a matter of course, power purchase agreements are drafted to take into consideration the existence of operational risks where operating incidents are caused by force majeure. In the absence of agreement between the parties regarding the contract provisions to be implemented to that effect, any damage suffered by the Group may be covered by its insurance programme, subject to applicable excesses and cover limits, provided the damage relates to an insured event.</p>

Risk associated with the disposal of combustion and flue gas treatment by-products

Description of the risk	Management examples
<p>The combustion cycle of thermal power plants in Overseas France generates by-products either from combustion (ash and slag) or from flue gas treatment (lime and gypsum). Suitable local industries are required to dispose of these by-products. As these overseas departments and regions are islands, few potential service providers may be available in reality, particularly if the storage facilities authorised to receive the unrecoverable part of this waste are not big enough to hold it. The procedure for disposing of these by-products may then be more costly for the Group, and setting up interim storage solutions may also expose it to potential legal proceedings for failing to comply with the applicable regulations.</p>	<p>The Group makes significant efforts to recover a larger proportion of its combustion by-products. Part of the combustion by-products (fly ash) is already recovered by spreading it onto the fields to improve the physicochemical properties of the soil and provide essential elements to spur crop growth. Further possibilities for recovering the combustion by-products of 100% biomass facilities, in addition to agricultural use, are currently under study.</p> <p>Converting the Company's power plants in Overseas France to run on biomass instead of bagasse or coal will substantially reduce the volume of combustion by-products produced from 2023 onwards.</p> <p>See also the additional information in Section 1.7.3.3 on page 66 of this Universal Registration Document.</p>

Risk of internal control failures and risk of fraud

Description of the risk	Management examples
<p>The Group has put in place risk management and internal control systems to prevent and manage the risks to which it is exposed. They are described in Section 1.6.2 on pages 39 et seq. of this Universal Registration Document. However well designed and correctly applied these systems are, there can be no absolute guarantee that the Group will achieve its objectives. Any system or process has inherent limitations, which may arise from uncertainties surrounding the external operational, economic or financial environment, the use of personal judgement, or malfunctions due to technical or human failures or basic errors. Accordingly, the Group cannot rule out the risk of a failure of its internal control system, which may expose it to the risk of fraud, particularly in the event of intrusion into the Group's information systems.</p>	<p>Heightening employee awareness of the risk of fraud will reduce the likelihood that it occurs.</p> <p>A plan begun in 2019 to transform the Group's information systems, managed by an IT Transformation Director, led to an IT security audit. Its findings resulted in a series of corrective actions being taken as part of a multi-annual action plan. These actions have made it possible to significantly reduce the Group's exposure to this type of risk.</p>

Pandemic risk

Description of the risk	Management examples
<p>The Group is exposed to the risk of a pandemic or large-scale health crisis occurring. Such events are liable to affect the ability of its employees – and especially its subcontractors – to reach its production sites, and they may significantly delay the completion of its construction work.</p>	<p>The Group has business continuity plans that it can implement in such situations to ensure that it can continue to generate electricity in the regions in which it operates. These plans include provisions governing the organisation of the operating teams, which are intended to enable it to continue to operate in accordance with the health measures in place.</p> <p>Any delays in construction projects may, in case of force majeure, result in compensation being due under the power sales agreements signed by the Group.</p>

Risk associated with business ethics

Description of the risk	Management examples
<p>The Group's growth and its presence in regions considered susceptible to corruption, influence peddling or other related abuses, means it is exposed to a risk of failure to uphold its ethical commitments stemming from the Code of Ethics. Such breaches could have a significant adverse effect on the Group's image and expose it to administrative or criminal sanctions.</p>	<p>The implementation, since end-2018, of an ethics and compliance programme, including in particular bringing the Group into compliance with the new provisions of the Sapin 2 Act concerning efforts to combat corruption and influence peddling, led to the distribution of an initial framework to Group employees in the form of a Code of Ethics incorporating principles of conduct pertaining to corruption and influence peddling, and to launch awareness sessions for Group employees on these matters. The Group also has a whistleblower mechanism and appointed an internal Ethics and Professional Conduct Lead responsible for these matters. See also the additional information in Section 1.7.4 on pages 74 <i>et seq.</i> of this Universal Registration Document).</p>

Development and access to financing

Description of the risk	Management examples
<p>The projects developed by the Group, and more specifically its Thermal Biomass projects, require substantial preliminary development efforts and the period between the first prospective contacts and the industrial commissioning of the facility is typically very long (development periods of between five and ten years). This requires the Group to invest – at times very substantial amounts – very early on in the process before the construction and/or industrial commissioning of the facility, and therefore long before the facility will begin to contribute to the Group's results. If a project does not go ahead there will be no return on the investment. Moreover, the Group estimates the construction and operation costs of its facilities. If the actual costs differ significantly from these estimates, the project's, or indeed the Group's, profitability could be adversely impacted.</p> <p>Given the lengthy development periods, several other factors may cause delays in the construction or industrial commissioning of a project developed by the Group, or even cause a project to be abandoned:</p> <ul style="list-style-type: none"> ■ mobilisation of partners against a project developed by the Group, potentially resulting in administrative proceedings seeking the suspension or cancellation of the permits or authorisations necessary for construction or operation or by means of the occupation of a site; ■ strike affecting a construction site; ■ delays in obtaining permits, authorisations and funding – processes that require often uncertain timeframes; ■ delays in obtaining authorisation from the Energy Regulation Board prior to signature of a power purchase agreement with EDF and, more generally, in obtaining authorisation from a supervisory authority; ■ non-delivery of an industrial facility under construction, for example if a supplier defaults; ■ industrial accident during construction of a facility; ■ delays in connecting a facility to the energy distribution network. <p>Delays in the industrial commissioning of a facility may adversely affect the profitability of a project. Abandoning a project will require the Group to write down the corresponding fixed asset investments and it may be required to repay any associated financing in advance.</p> <p>The Group's exposure to this type of risk usually increases with time over the development phase and peaks during the construction phase (construction investment commitments and financing).</p>	<p>In order to reduce these risks, the Group implements a stringent project management process involving internal steering committees and dedicated management controllers, the Commitments Committee and the Board of Directors. This process ensures the Group does not commit itself without sufficient visibility to major investments and can call a halt to any project that does not satisfy profitability or risk criteria deemed acceptable by it as early in the process as possible. Moreover, the Group has significantly improved its dialogue with partners in order to identify their concerns as early as possible in the project, and to take them into consideration in all development phases.</p>

Country-related risks

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

1.6.1.2. Industrial and environmental risks

Industrial accidents and environmental damage

Description of the risk	Management examples
<p>The operation of power plants, and in particular fuel-powered plants, entails a risk of industrial accidents that could result in the shutdown of the production facilities for a shorter or longer period of time, or even the partial or total destruction of the installation. In particular, the Group is exposed to:</p> <ul style="list-style-type: none"> ■ fire risks affecting all the Group's activities, given that fuels (bagasse and other types of biomass, coal and oil-based products) and other flammable products are used and stored at its thermal power plants and that its photovoltaic facilities may be subject to voltage surges or short-circuits; ■ the risk of explosion at its Thermal Biomass business (equipment operated at high pressure, electric filters, explosive environments linked to the storage of certain types of biomass, etc.); ■ risks, in its Thermal Biomass business, associated with the use of hazardous products (lime, urea, soda, oils...) <p>Any loss sustained by the Group should be covered by its insurance policies, less the insurance excesses, provided the event resulting in the loss was an insured event. Such an incident could also result in bodily injury, damage to property or environmental damage, which could lead to the Group being sued for compensation and/or facing criminal prosecution.</p>	<p>The Group has put in place procedures designed to minimise the risk of such accidents occurring and to reduce their potential impact on individuals, property and the environment. Some of these procedures were introduced in order to comply with the laws and regulations that are specifically applicable to the Group's business activities, while others are a reflection of the Group's continuing efforts to improve or are the result of a concerted risk management policy put in place in collaboration with its insurers.</p> <p>See also the additional information in Section 1.7.3.4 on pages 67 <i>et seq.</i> of this Universal Registration Document.</p>

Security of employees and individuals present on industrial sites

Description of the risk	Management examples
<p>The Group is exposed to a risk associated with the safety of individuals working on its operational sites, given its industrial activities. The staff who operate the Group's production units and its subcontractors are exposed to risks associated with everyday production and maintenance tasks and also to the risk of an industrial accident. The Group could incur civil or criminal liability in this connection.</p>	<p>The health and safety of employees and service providers is a major concern for the Albioma Group. A Safety Department was created in 2017 with responsibility for the implementation of a Group Safety Master Plan with the ultimate goal of achieving "zero accidents".</p> <p>See also the additional information in Section 1.7.2.2 on pages 52 <i>et seq.</i> of this Universal Registration Document.</p>

Risks associated with climate conditions and the impact of climate change

Description du risque	Management examples
<p>Given the nature of its business activities and the location of its sites, the Group is exposed to climate-related risks.</p> <p>The Group's Solar business is more specifically exposed to a risk of a prolonged lack of hours of sunshine, which could adversely affect its results. At the development stage of any project, the Group carefully considers the typical hours of sunshine in that location, although despite the high quality of its research it cannot eliminate the risk completely.</p> <p>The Thermal Biomass and Solar business operations in the West Indies-French Guiana region and the Indian Ocean (French overseas departments and Mauritius) region are exposed to the risk of natural disasters (volcanic eruptions, tropical storms, hurricanes, cyclones, flooding and earthquakes in the West Indies). Such events could result in a temporary outage or extended shutdown of production facilities, or even the partial or total destruction of a plant. In Brazil, the variable climate conditions may result in long periods of drought, alternating with more humid periods. Periods of drought, which restrict use of hydroelectric facilities, may cause electricity spot prices to rise considerably, which is to the Group's advantage. Conversely, humid periods may cause electricity spot prices to fall, to the Group's detriment.</p> <p>The Brazilian climate may also affect a sugar mill's ability to meet its contractual commitments to deliver biomass fuel (quantity and quality of the bagasse delivered, including in particular its fibre content), exposing the Group to a counterparty risk. The partnership agreements impose penalties on the sugar mills in the event they are unable to deliver the agreed quantity of biomass, creating a risk associated with the sugar mill's ability to meet its contractual commitment.</p> <p>More generally, from a longer-term perspective, the overseas territories in which the Group operates are exposed to the effects of climate change. The report <i>The economic impact of climate change and adaptation in the Outermost Regions (Impact économique du changement climatique et de l'adaptation dans les Régions ultrapériphériques)</i>, published in 2014 by Amec Foster Wheeler for the European Commission, predicts in particular:</p> <ul style="list-style-type: none"> ■ an increased risk and frequency of flooding, due to more frequent storms and extreme rainfall events, and to rising sea levels; ■ an increase in the water stress risk associated with salt water infiltration contaminating freshwater resources; ■ the modification of annual precipitation patterns, with wetter winters and drier summers; ■ increased average temperatures; ■ soil degradation, leading to an increased risk of surface run-off; ■ increased numbers of insect pests and invasive species; ■ an increased risk of forest fires. <p>These climate changes entail a number of environmental risks liable to directly affect the Group's activities, including the risk of flooding and landslides, exposure to extreme climatic events, water stress risks and a risk of reduced availability of biomass resources.</p>	<p>Albioma Galion power purchase agreement) address the risk of natural disasters via a force majeure clause. In the absence of agreement between the parties regarding the contract provisions to be implemented to that effect, any damage suffered by the Group may be covered by its insurance programme, subject to applicable excesses and cover limits, provided the damage relates to an insured event.</p> <p>In Brazil, climate risks are mainly managed via a three-pronged strategy based on securing future electricity sales (as a result of which only the share of the Group's production not secured on the open or regulated markets is exposed to spot rates), meticulously selecting sugar industry partners, and diversifying its geographic presence.</p> <p>Regarding Albioma's exposure to risks arising from the effects of climate change more generally, the Group assesses the exposure of its existing and planned facilities to such risks on a case-by-case basis, taking climate change forecasts into account, and implements any necessary measures. In particular, thorough impact assessments are carried out in connection with operating license applications.</p> <p>As regards climate change, the Group's strategy, aimed at increasing the proportion of energy produced using renewable sources to over 90 % by 2025, is an intrinsic part of its low carbon strategy for the core areas of the Group's businesses.</p>

1.6.1.3. Labour relations risks

Risk of strikes

Description of the risk	Management examples
<p>The Group is exposed to the risk of strikes and other labour disputes, particularly at its Thermal Biomass plants in the overseas departments and regions, where most of its employees currently work. Such events, which may originate within the company or be more generalised (e.g. action affecting the entire electricity and gas industries or general industrial action), may result in the shutdown of the production facilities for short or longer periods of time.</p> <p>In most cases, the wording of the operating contracts covers the possibility of a national strike with local repercussions in a force majeure clause. However, the Group's results could be adversely affected in the event of the unavailability of its facilities due to a local strike.</p>	<p>The Group pays very close attention to the management of its human resources, and ensures in particular that a healthy dialogue is maintained with the employee representative bodies. The Group also gives its employees a stake in its growth and long-term value creation, through the allocation of bonus performance shares, profit-sharing agreements, incentive schemes and capital increases solely reserved for employee-members of the Group's savings scheme.</p> <p>See also the additional information in Section 1.7.2.3 on pages 54 <i>et seq.</i> of this Universal Registration Document.</p>

1.6.1.4. Risk of dependency on third parties

Procurement risks

Description of the risk	Management examples
<p>The Group is exposed to a risk of a shortage or delay in supplies of raw materials or fuels needed for its operations, in particular for its Thermal Biomass business:</p> <ul style="list-style-type: none"> ■ in the French overseas departments and regions and Mauritius, to the risk of delays, and to a lesser extent as a result of the Group's supplier diversification policy, interruption in the supply of coal and where applicable, imported biomass; ■ in Brazil, to the risk of inclement weather or interruptions in the supply of bagasse by the sugar producer, potentially exposing it to operational difficulties or financial hardship; <p>More generally, the Group is exposed to the risk of a shortage of or delay in supplies of strategic parts needed for the proper operation of its installations, which are often located in scarcely industrialised areas. Such supply shortages or delays could lead to the unavailability of the Group's installations (for example, as a result of extending the technical shutdown periods for maintenance work), which would have an adverse impact on its results.</p>	<p>The Group constitutes and manages a fuel reserve at each of its plants, in order to cope with any supply chain delays or failures, but cannot guarantee to keep facilities available in absolutely all circumstances.</p> <p>In Brazil, the contracts with sugar producers include penalties for bagasse supply failures, but the Group cannot guarantee to keep the plant available in all circumstances in the event of a supply failure; where appropriate, the Group may be able to procure bagasse or other types of biomass from alternative suppliers, albeit at prices not fixed in advance.</p> <p>Regarding supplies of imported biomass, the supply risk is managed by entering into long-term contractual relationships with multiple top-tier suppliers. The acquisition in 2021 of the La Granaudière wood pellet production plant in Canada is also part of the strategy to secure supplies of imported biomass in the French West Indies–French Guiana region.</p> <p>The Group manages a stock of strategic parts with long procurement lead times in order to reduce exposure to the risk of delays or supply failures.</p>

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

Description of the risk	Management examples
<p>Generally, given the stability of the Group's customers in Metropolitan France, Overseas France and Mauritius, the Group's exposure to a counterparty risk associated with trade receivables is not material.</p> <p>Regarding the Thermal Biomass business, the structure of the Brazilian electricity market leads the Group to enter into power purchase agreements with major industrial and commercial partners, thereby exposing it to a counterparty risk.</p> <p>The Group is exposed to a limited counterparty risk with regard to its suppliers and subcontractors in connection with its French overseas activities. Notwithstanding the Group's meticulous selection process, the inability of a supplier or subcontractor to deliver an agreed service as a result of a default or failure during the construction, maintenance or operation of an installation (including fuel deliveries) could result in a delay in the industrial commissioning of a plant or subsequent operational unavailability, adversely impacting the Group's results.</p> <p>Regarding the Thermal Biomass business in Brazil, the fact that the Group does not use coal exposes the Group to a material counterparty risk with regard to its sugar-producing partner, which is the sole supplier of bagasse. If the sugar-producing partner is unable to deliver the quantities of bagasse needed to operate the plant, for operational or financial reasons, this could have a material adverse impact on Group performance. Note that the partnership agreements impose penalties on the sugar producers if they are unable to deliver the agreed quantities of biomass. There is therefore a risk associated with the sugar producer's financial capacity to meet its contractual commitments.</p> <p>The largest supplier during the past financial year was a biomass supplier. In 2021, invoices from this single supplier totalled €41 million, excluding tax. The total amount invoiced by the Group's ten largest suppliers in 2021 was €194 million, excluding tax, compared with €154 million in 2020.</p> <p>The Group sells almost all of the electricity it produces under long-term agreements entered into with EDF in France and the Central Electricity Board in Mauritius. The Group's income from EDF amounted to €520.8 million in 2021, representing 90.9% of consolidated revenue for the 2021 financial year, compared with 93.0% in 2020. Revenue earned with the Central Electricity Board is not included in consolidated revenue, as the Mauritian power plants are consolidated using the equity method. Any difficulties in relations with these customers could have a material adverse impact on the Group's results.</p>	<p>The Group is careful to select reliable partners, based on both operational and financial considerations, which should substantially reduce the risk of such an occurrence, although it cannot be completely eliminated.</p>

1.6.1.5. Legal risks

Risk associated with regulatory and public policy changes

Description of the risk	Management examples
<p>The Group operates all its business activities in a strictly regulated framework, particularly as regards the environment, employment and tax matters. Changes to the regulatory environment that apply to the Group's activities may require it to invest heavily in order to bring its facilities into compliance, which could reduce the profitability of its facilities.</p> <p>In Brazil, contracts do not include provisions to safeguard the Group from adverse regulatory changes. More specifically, if the special tax treatment applicable in Brazil (<i>lucro presumido</i>) is withdrawn, this could have a material adverse impact on the Group's results.</p> <p>In the event of any major unfavourable change in regulations, the Group cannot guarantee – despite the care taken in the management of its contracts – that its facilities would remain profitable. More specifically, any unfavourable discretionary and/or retroactive change to the regulations applying to tariffs for electricity produced by photovoltaic facilities, or to the tax regulations applying to these business activities (increasing existing taxes), could affect the Group's results for its current and future business activities.</p> <p>Similarly, an unfavourable change in certain public policies, including public policy relating to climate change, could adversely affect the Group's ability to implement its strategy. In particular, the Group may be partly or completely unable to convert its thermal power plants for biomass operation in Overseas France if its renewability is brought into question.</p>	<p>The clauses designed to preserve the economic balance of the long-term power purchase agreements for the Thermal Biomass businesses in the French overseas departments factor in the possibility of such regulatory changes.</p> <p>See additional information on the Solar Power business in Section 3.2.2.2 on page 152 of this Universal Registration Document.</p> <p>See also the additional information on measures for managing the risk of biomass renewability being brought into question in Section 1.7.3.1 on pages 59 <i>et seq.</i> of this Universal Registration Document.</p>

Non-compliance risks

Description of the risk	Management examples
<p>The Group operates its industrial facilities within a strictly regulated framework, particularly as regards the environment. All the Group's thermal power plants are subject to the laws and regulations governing environmentally-classified facilities (ICPE). The ICPE regulations also require the rehabilitation of sites when the classified activity is discontinued and the provision of financial guarantees for certain facilities. More generally, the Group's activities are governed by all the laws and regulations arising from the transposition into French law of the European directives and regulations on the protection of the environment (including in particular Directive 2010/75/EU of 24 November 2010 on industrial emissions).</p> <p>Environmentally-sensitive facilities are supervised by the local Prefects and the DEAL (the French environment, planning and housing authorities), which are responsible for inspecting these facilities. In the event an operator fails to comply with the applicable conditions it may face criminal action and the Prefect may also impose administrative sanctions, which can include a temporary ban on operating the facilities; the Prefect can even propose its closure by means of a Council of State decree.</p>	<p>The compliance of facility operations with applicable laws and regulations is continually tracked by the Group, with ongoing monitoring of applicable regulations and close and continuous oversight of the operation of its facilities. However, despite its efforts the Group cannot completely rule out the risk that it may identify a compliance issue, in which case it will do its utmost to rectify the situation as soon as possible.</p>

Litigation risk

Description of the risk	Management examples
<p>Like any other company, the Group's companies may be involved in administrative, tax, legal or arbitration proceedings in the course of their activities. It is assumed that the main situations in which such proceedings could be initiated are:</p> <ul style="list-style-type: none"> ■ possible failure to meet contractual commitments; ■ possible non-compliance with legislative or regulatory provisions, particularly those applicable to environmentally-classified facilities (ICPE); ■ possible breach of conditions accompanying the grant of tax benefits; ■ challenging of tax benefits granted to investments made in French overseas department and territories; ■ possible lodging of appeals by third parties against permits or authorisations obtained; ■ possible occurrence at the Group's units of incidents or accidents resulting in bodily injury and/or damage to property and giving rise to claims for compensation. 	<p>These risks are mainly managed through:</p> <ul style="list-style-type: none"> ■ implementation by all Group entities of a policy of strict compliance with legislative and regulatory standards that apply to them, and the regular monitoring of changes; ■ the security of the Group's contractual documentation. <p>Where necessary, the Group books provisions for ongoing disputes, reflecting its best estimate of the potential adverse financial consequences of these disputes. See additional information in Note 28 to the consolidated financial statements for the 2021 financial year in Section 4 on page 195 of this Universal Registration Document, and in Note 4.2 to the parent company financial statements for the 2021 financial year in Section 5 on pages 236 <i>et seq.</i> of this Universal Registration Document.</p>

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

Albioma Bois-Rouge (formerly Compagnie Thermique de Bois-Rouge) was joined to an action brought by Sucrière de La Réunion against its insurer, QBE Insurance Europe, which was refusing to pay out on a claim by its client for operating losses of approximately €1 million. These operating losses were allegedly the result of the shutdown of the Bois-Rouge thermal plant and the Bois-Rouge sugar factory during the 2009 sugar harvest. Sucrière de La Réunion won the case before the appeal court in 2012, without any consequences for Albioma Bois-Rouge. In 2013, QBE Insurance Europe filed a new procedural suit before the District Court. In April 2015, the court again found in favour of Albioma Bois-Rouge. This decision was upheld by the Saint-Denis Appeal Court on 5 April 2017. QBE Insurance subsequently appealed against this decision to the Cour de Cassation. In a judgement handed down on 13 January 2020, the Cour de Cassation reversed the decision of the Saint-Denis Appeal Court to which the dispute was referred.

There are no other governmental, legal or arbitration proceedings (including any stayed proceedings or potential proceedings of which the Company is aware) that are likely to have, or have had, any material effect on the Group's financial position or profitability in 2021 or since the end of the year.

1.6.1.6. Financial risks

Liquidity risk

The Group's Finance Department centralises all its subsidiaries' financing needs and negotiations with financial institutions, in order to better control financing terms and conditions. Any transactions carried out directly by subsidiaries are closely monitored. The Finance Department aims to maintain sufficient liquidity at all times by efficiently managing the Group's cash and cash equivalents, in particular by putting in place secure financing arrangements in terms of their duration and legal terms and conditions. More specifically, it arranges confirmed credit lines to guarantee optimal flexibility in Group financing. See additional information in Note 25 to the consolidated financial statements for the 2021 financial year, in Section 4 on pages 190 *et seq.* of this Universal Registration Document.

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

At 31 December 2021, the breakdown of the liquidity position compared with that of previous years was as follows:

<i>In thousands of euros</i>	31/12/2021	31/12/2020	31/12/2019
Other current financial assets	14,695	36,753	18,833
Bank accounts	93,164	89,039	142,550
Unused credit facilities	41,000	60,000	65,000
Liquidity position	148,860	185,792	226,383

Market risks

Risk of unfavourable changes in electricity prices

With regard to its business activities in Metropolitan France, Overseas France and Mauritius, the Group is not exposed to any unfavourable changes in market prices for electricity, given the contractual framework (see additional information in Section 1.3.3.2 on pages 13 *et seq.* of this Universal Registration Document).

With regard to the Group's Brazilian activities (see additional information in Section 1.3.3.2 on page 15 of this Universal Registration Document), the Group has rolled out its model based on long-term power purchase agreements (PPA). In addition to short- and medium-term contracts signed with industrial and commercial partners at predetermined prices, the Brazilian plants have secured long-term sales on the regulated market (20 years) for part of their production. On average over the past five years, over 90% of energy sales were secured by long-term contracts on satisfactory price terms, thus limiting exposure to the risk of unfavourable

changes in electricity prices. The remainder is sold on the spot market, on terms that may be unfavourable, but have limited impact on the results of the Group's Brazilian activities.

In the context of its geothermal energy activities in Turkey (see additional information in Section 1.3.3.2 on page 16 of this Universal Registration Document), the Group benefits from fixed tariffs indexed to the US dollar. When the existing PPAs end, Albioma expects to sign new agreements with electricity distributors or industrial and commercial companies, in order to secure the sale of all or part of its production at prices defined in advance, in keeping with the Group's business model.

Interest rate risk

The Group's interest-rate management policy is coordinated, supervised and managed centrally, with the aim of protecting future cash flows and reducing volatility of financial expenses. As at 31 December 2021, the Group's borrowings were split as follows:

<i>In thousands of euros</i>	31/12/2021				31/12/2020			
	Bank overdrafts, accrued interest and loan issue costs	Project debt	Corporate debt	Total	Bank overdrafts, accrued interest and loan issue costs	Project debt	Corporate debt	Total
BORROWINGS FROM FINANCIAL INSTITUTIONS								
Fixed rate	(1,010)	54,233	106,500	159,723	(738)	63,120	107,500	169,882
Variable rate	(19,241)	784,706	36,000	801,465	(16,278)	733,168	5,000	721,890
Sub-total	(20,251)	838,939	142,500	961,188	(17,016)	796,288	112,500	891,772
LEASE LIABILITIES								
Fixed rate	-	5,765	-	5,765	-	5,766	-	5,766
Variable rate	-	4,016	-	4,016	-	4,464	-	4,464
Subtotal	-	9,781	-	9,781	-	10,230	-	10,230
LEASE LIABILITIES RELATED TO RIGHT-OF-USE ASSETS	-	41,992	-	41,992	-	38,460	-	38,460
Total financial debt	(20,251)	890,712	142,500	1,012,961	(17,016)	844,978	112,500	940,462

Financial debt included variable-rate debt of €805.5 million at end-2021, compared with €726.4 million at end-2020.

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

The interest rate hedges are described in Note 26 to the consolidated financial statements for the 2021 financial year, in Section 4 on pages 201 *et seq.* of this Universal Registration Document.

Sensitivity of financial assets and liabilities to variations in interest rates is described in Note 34.1 to the consolidated financial statements for the 2021 financial year in Section 4 on pages 209 *et seq.* of this Universal Registration Document.

Currency risk

The Group publishes its consolidated financial statements in euros, and in 2021, 95.1% of its revenue and 91.4% of its EBITDA was recognised in euros.

Currency risk – Operational

The Group's transactions are carried out mainly in euros, except for:

- Coal and biomass purchases by the subsidiaries, which are denominated in US dollars, with sale prices to clients specifically taking into account exchange rate movements;
- Purchases of some machinery, essentially in connection with the construction of new power plants.

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

Currency risk – Financial

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

Currency risk from investment in foreign subsidiaries

This currency risk arises from:

- the business of the Brazilian companies: in growing its Thermal Biomass business in Brazil, the Group is now exposed to a euro/Brazilian real currency risk that may affect its results when the financial statements of its Brazilian subsidiaries are translated into euros, and this will make it more difficult to compare performances from one year to the next. For

example, the appreciation of the euro against the Brazilian real will reduce the contribution to the consolidated results made by subsidiaries that prepare their financial statements in the Brazilian currency. As regards long-term assets, the Group has put in place a hedging policy aimed at reducing currency risks associated with financing in the Brazilian currency;

- the business of the Turkish companies: these entities can benefit from an electricity sale price indexed to the US dollar and, at the same time, take on debt issued in US dollars. For these entities, the Group is exposed to changes in the US dollar/euro exchange rate for the difference between future sales indexed in US dollars and the outstanding principal of US dollar-denominated debt. It is also exposed to changes in the exchange rate of the Turkish lira against the euro as regards the non-indexed or non-dollar denominated part;
- the activity of companies in which Albioma holds non-controlling interests in Mauritius and whose financial statements are prepared in Mauritian rupees. Currency risk arises mainly from the impact of the movement in the exchange rate on the overall amounts recognised using equity accounting (recognised directly in equity), the revaluation of financial debt, denominated in certain cases in euros, and the partial indexation to the euro of power purchase agreements. Also, the Group has recognised embedded currency derivatives (Euro/Mauritian rupee) relating to power purchase agreements.

The Group does not use any other financial instruments for currency hedging purposes.

At 31 December 2021, currency risk from investment in foreign subsidiaries breaks down as follows:

Net assets denominated in foreign currencies

<i>In thousands of euros</i>	31/12/2021	31/12/2020	31/12/2019
Net value of net assets denominated in Mauritian rupees	19,371	18,402	21,721
Net value of net assets denominated in Brazilian reals	56,544	53,856	63,755
Net value of net assets denominated in US dollars	(5,373)	-	-
Net value of net assets denominated in Turkish lira	1,078	-	-
Total net assets denominated in foreign currencies	71,620	72,258	85,476

Sensitivity to currency risk

	Impact on net income		Impact on shareholders' equity	
	5% increase	5% decrease	5% increase	5% decrease
Brazilian real	0.6%	(0.5%)	0.6%	(0.5%)
Turkish lira	0.2%	(0.2%)	-	-

These net positions in Mauritian rupees are subject to a hedge of a net investment in a foreign operation (see additional information in Note 18 to the consolidated financial statements for the 2021 financial year in Section 4 on pages 191 *et seq.* of this Universal Registration Document). As such, a movement in the euro/Mauritian rupee exchange rate would have no material impact on shareholders' equity.

Equity risk

Equity risk is limited due to the nature of the Group's cash investments (money market mutual funds benefiting from good ratings and subscribed with recognised institutions). As at the date of filing of this Universal Registration Document, there are no treasury shares (see additional information relating to treasury shares in Section 6.3.6 on pages 279 *et seq.* of this Universal Registration Document).

Risk associated with significant off-balance sheet commitments

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

See additional information in Note 35 to the consolidated financial statements for the 2021 financial year, in Section 4 on pages 211 *et seq.* of this Universal Registration Document.

1.6.2. INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

1.6.2.1. Definition and objectives of internal control and risk management

The internal control system applies to the Company and to all its fully-consolidated subsidiaries and to some of its subsidiaries consolidated using the equity method. Its objectives are to ensure that:

- the implementation of the strategy defined by the Board of Directors, translated into economic and financial objectives and measures aimed at operational efficiency, is carried out in accordance with applicable laws and regulations;
- the strategic orientations defined by the Board of Directors are converted by General Management into effectively implemented action plans;
- the internal processes, in particular those that help to safeguard the Group's assets, operate in a satisfactory manner;
- the Group's financial and accounting information is accurate, reliable and fairly presented.

The internal control system incorporates a risk management system, whose objectives are to:

- create and maintain the Group's values, assets and reputation;
- ensure the Group's decision making and processes are secure with a view to helping it to achieve its objectives;

- ensure the Group's actions are consistent with its values;
- mobilise the Group's employees around a common vision of the main risks and increase their awareness of the risks inherent in their activity.

By helping to prevent and control the risks to which the Group is exposed in the implementation of its strategy, the internal control system contributes to the management of the Group's activities, the effectiveness of its operations and the efficient use of its resources.

However, the internal control and risk management systems, no matter how well they are designed and applied, cannot provide an absolute guarantee that the Group's objectives will be achieved. Any system or process has inherent limitations that may result from uncertainties in the external operating, economic and financial environment, the use of judgement or problems that may arise from technical and human failures or from mere error; risk management choices are made, ultimately, by weighing the benefits against the costs incurred.

The internal control system is based on a rational and effective Group structure, within which the internal control staff are identified with a view to managing the risk management system and the internal control procedures.

1.6.2.2. Group structure

The structure introduced in 2016, when the roles of Chairman of the Board of Directors and Chief Executive Officer were separated, is described in Section 1.5.3 on pages 28 *et seq.* of this Universal Registration Document. This change in governance entailed a number of changes to the organisation of the internal control function, in particular as a result of the definition by the Board of Directors of the respective powers of the Chairman of the Board of Directors and the Chief Executive Officer. The combining, following the General Meeting of 27 May 2019, of the roles of Chairman of the Board of Directors and Chief Executive Officer resulted in the vesting of all powers in a single person, the Chairman and Chief Executive Officer (see additional information in Section 2.2.1 on pages 92 *et seq.* of this Universal Registration Document).

The Group's structure in 2021 was based on operating divisions, created by combining its two main businesses (Thermal Biomass and Solar Power) and the main regions in which it operates:

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

A Holding company and Others division encompasses the Mauritian activities, consolidated using the equity method, and the new geothermal activities.

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

- Industrial Department, including the Safety Department, the Operations Support Department, the Maintenance Support Department, the Construction Projects Department and the Procurement and CRE Relations Department;
- Administrative and Finance Department, including the Legal Affairs Department, the Accounting Department and the Management Control and IT Transformation Department;
- CSR and Environment Department;
- Human Resources Department;
- Company Secretariat.

1.6.2.3. Responsibility for internal control

Although certain designated employees have been given responsibility for the Group's internal control procedures, all employees have a part to play. For an internal control system to be effective, it is vital that all employees are made aware of the Group's values and culture of commitment. Various top-down communication methods are used to achieve this, including seminars (e.g. seminars for Directors, for senior management and for operational staff) and internal information documents, providing all employees with important information on the latest developments within the Group and updates on strategy implementation. All employees are therefore able, regardless of their position, to ensure that their actions, on a day-to-day basis, are at all times consistent with the Group's values and strategy.

The following bodies responsible for internal control procedures are:

- the Board of Directors and its specialised Committees, whose operating methods and main tasks are described in Section 2.3.3.1 on pages 110 *et seq.* of this Universal Registration Document;
- General Management and the Executive Committee;
- the Administrative and Finance Department and the other functional departments;
- the internal audit function.

The Board of Directors and its specialised Committees

The Board of Directors has ultimate control over General Management's implementation of the Group's strategy. It is assisted in this work by its specialised Committees. By authorising structuring projects, it ensures the continuity of its strategy in a way consistent with the levels of risk and profitability that it and General Management have deemed acceptable.

The Board of Directors is responsible for the ongoing monitoring of the Group's operating performance and financial position, progress on projects and the main sustainable development indicators, based on the monthly reports produced by the Administrative and Finance Department.

In collaboration with the Audit, Accounts and Risks Committee and the Corporate Social Responsibility Committee, the Board of Directors also plays a major role in the monitoring of the risk management process. The Audit, Accounts and Risks Committee regularly reviews the effectiveness of the internal control systems and risk mapping.

Lastly, the Audit, Accounts and Risks Committee has a key role to play in the internal audit function (see additional information in Section 2.3.3.1 on pages 117 *et seq.* of this Universal Registration Document).

General Management

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

As regards short-term matters, General Management ensures the Group's operations are carried out smoothly, monitors achievement of objectives, prescribes any corrective actions deemed necessary and verifies their implementation in conjunction with action plans it is responsible for implementing.

As regards longer-term matters, General Management also plays a major role in disseminating the Group's values and strategic directions.

Executive Committee

The Executive Committee meets twice a month, which enables it to monitor all events of significance to the Company in real time and to react promptly if necessary. The Committee is also a forum for analysis, reflection and discussion on cross-departmental matters with a view to formulating action plans to be implemented by the operational and functional departments.

The Administrative and Finance Department and the other functional departments;

The Administrative and Finance Department, which oversees the Legal Affairs Department, the Accounting Department, the Management Control Department and the IT Department, is responsible, in particular, for the accuracy, reliability and fair presentation of the accounting and financial information it produces.

It is also responsible, in conjunction with the Management Committee and the Board of Directors, for producing the monthly reporting package, which forms the basis for the ongoing monitoring of the Group's activities.

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

All the other functional departments are involved in implementing the internal control system. The following departments in particular are, via their day-to-day actions, crucial to the achievement of the system's objectives:

- the Industrial Department, whose actions are vital for preserving the value of the Group's assets;
- The Human Resources Department, by ensuring that the Group's operations are carried out in accordance with the legislative and regulatory provisions applicable to the Group and with its Memorandum and Articles of Association, by regularly ensuring that the Group's human resources are suitable for its needs, by helping to draw up succession plans and by ensuring employees receive an adequate level of training to enable them to fulfil their duties;
- the Legal Affairs Department, by ensuring, in particular, the legal security of operations;
- the IT Transformation Department, by ensuring that the Group's information systems offer a level of security that is adequate to guarantee data integrity and retention;
- the CSR and Environment Department, which is responsible for monitoring the compliance of the Group's operations with environmental requirements and the implementation of resulting action plans, also verifies the consistency of non-financial data communicated to the market and ensures the interests of the Group's partners are properly taken into consideration in its business operations;
- the Safety Department, which supervises industrial safety within the Group;

- the Company Secretariat, which is responsible for the Secretariat of the Board of Directors and the specialised Committees and for monitoring matters associated with company law, stock market laws, compliance and ethics, assists the Administrative and Finance Department in the financial communication control process and oversees regulatory communication.

The internal audit function

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

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

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

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

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

1.6.2.4. The risk management process

In the performance of its activities, the Group is exposed to a variety of risks. The main risk factors the Group faces are described in Section 1.6.1 on pages 30 *et seq.* of this Universal Registration Document.

The Group considers the identification and full understanding of the various categories of risks to which it is exposed to be essential. A full understanding of the relevant risks will enable the Group to determine the human, technical, legal and financial measures required to prevent and deal with such risks.

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

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

The process for mapping risks and monitoring the Group's risk mapping and its insurance policy are closely linked. This policy is reviewed in close collaboration with risk mapping to ensure that the level of coverage the Group has is constantly being amended in line with the risks it has identified (see

additional information in Section 1.6.3 on pages 45 *et seq.* of this Universal Registration Document).

1.6.2.5. Control activities and procedures

Business management procedures

Standardised processes for collecting and processing information facilitate the preparation of the monthly reporting package, which enables the various parties involved to monitor, on a monthly basis, developments in the Group's operating and financial performance and to formulate, implement and adapt the necessary action plans. The Administrative and Finance Department and, within it, the Management Control Department, have significantly strengthened this collection process in connection with the continuous improvement initiative concerning the accuracy and relevance of the indicators used.

More generally, the Group is pursuing a global strategy to standardise information reporting:

- as regards technical or operating information (daily and monthly reports submitted by the heads of the production units, special reports analysing incidents, regular reports on the maintenance and servicing of production equipment, reports on construction projects and reports on accidents in the workplace);
- as regards financial information, in line with the procedures for producing accounting and financial information (see below), but also to ensure the monitoring of budget performance, the Group's commitments, debt and cash;
- as regards non-financial information, in line with the procedures for producing non-financial performance information verified by an independent third-party body (see additional information in Section 1.7 on pages 46 *et seq.* of this Universal Registration Document) using an integrated data collection and analysis tool for non-financial information.

Medium-term strategic planning is carried out in conjunction with the budgetary process. The budget and the business plan are drawn up each year on the basis of information reported by the operating entities and by each Department as part of a standardised process. The budget and the business plan drawn up by the Administrative and Finance Department on the basis of the strategic orientations proposed by General Management are approved by the Board of Directors. The budget is adjusted when the half-yearly financial statements are prepared, and the Board of Directors is kept informed.

The combination of the monthly reporting package and the budgetary process enables actual and estimated data to be reconciled and the market to be informed of any adjustments to the objectives.

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

The Company is committed to continuously improving its procedures for deciding on, making and monitoring investments, which are intended to formalise the steps to be taken and the resources involved in each stage of the project (expression of interest, feasibility study, commercial proposal, making the investment and transferring it to the internal or external operator). This methodology involves meetings that are held as projects move from one stage to the next. Accordingly, investment decisions are approved only at the conclusion of a standardised cycle punctuated by launch, finalisation and commitment meetings, involving the Commitments Committee and, lastly, the Board of Directors. With respect to projects, a risk control by project process enables the Group to anticipate at an early stage the impacts of various risks to the forecast internal rate of return, to ensure that it remains consistent with the standards approved by the Board of Directors and, where relevant, to size the investment accordingly. Cross-functional project management by the internal steering committees, composed of members of all the functional departments and the regional management team, enables decisions to be made about critical resources (financial and human), thereby securing completion of the projects concerned. As a result of the scaling up of Group investments, and the corresponding increase in its commitments, a Management Controller has been specifically assigned to each developed project entailing a material commitment, who is responsible for monitoring the level of commitments and payments made, ensuring they remain in line with the project investment budget and the related cash flow forecasts. Much work was done on the project management process in the 2019 financial year culminating in the implementation of a formalised project management procedure and its dissemination throughout the Group.

Procedures applicable to the procurement policy and the maintenance and management of strategic supplies

The procurement policy focuses, in particular, on applying in practice the combined principles of looking for quality offers, choosing the best offers in the Group's interest, and making an equitable selection of suppliers. Particular attention is paid to the ethical reputation of suppliers and the compliance of their practices with the Group's corporate social responsibility commitments. The Group drew up general procurement terms and conditions setting the Group's procurement standards and comprising a specific clause dealing with the corporate social responsibility of its suppliers. It introduced a standard framework agreement for use by its suppliers.

A Procurement Operations Guide describes the best practices of which staff have already been made aware by the Procurement and Maintenance Department (systematic use of competitive tendering, formalisation of purchase requisitions, approval levels, segregation of duties, stock management, etc.).

The Group's strategic procurement management process incorporates procedures aimed at safeguarding purchase prices and securing deliveries by avoiding stock outages (daily monitoring of stocks of coal and orders delivered by ship, and procedures for warning the authorities in the event of a stock outage that could result in production being halted). Strategic stock management is carried out at each operating level and controlled centrally for sharing.

In addition, maintenance of the Group's plants is monitored by means of Computer-Aided Maintenance Management (CMM). This enables the Group to ascertain the age of its equipment, formalise purchase requisitions associated with maintenance (issue of work orders discussed before approval, to which are attached the purchase requisitions) and to impose approval levels pre-determined on the basis of restricted access rights, by complying with the main segregation of duties principles. It can also be used as a budget control tool to monitor financial commitments.

Procedures applicable to the operation of the production units

The implementation, since 2011, of the production unit management process in connection with the Quality-Safety-Environment (QSE) process enabled the Group to obtain, in 2012 and 2013, AFNOR certification with respect to the three QSE standards for the following facilities: Albioma Le Gol (certification obtained in 2011) and Albioma Bois-Rouge (certification obtained in 2013). The same triple certification was also obtained by Terragen in Mauritius in 2014. OTEO Saint-Aubin obtained ISO 14001:2004 certification in 2014.

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

This process is part of an overall approach that seeks to adopt and maintain policies for all of the Group's activities that promote sustainable development, limit negative environmental impacts and preserve biodiversity. The Group intends to roll it out to the Albioma Le Moule facilities, then to all its activities, regardless of location.

In addition to certifications, the Group continued to make improvements in 2021 with the implementation of the staff safety oversight process; a new multi-year action plan was put in place during the year, following a comprehensive audit commissioned by the Board of Directors and carried out by an external consultancy firm.

Procedures applicable to the production of the accounting and financial information

Organisation of the Administrative and Finance Department

The Administrative and Finance Department, under the responsibility of General Management, is responsible for managing the accounting and financial processes governing the production of accounting and financial information. These processes involve the Accounting Department and the Management Control Department, and require implementation of procedures specific to the finance and cash departments (centralisation of cash flows, interest rate risk hedging and monitoring of financial debt). The consolidation and accounting processes for the Brazilian companies are outsourced.

The Management Control Department is responsible, at local and central level, for implementing the controls required at each stage of the preparation of the accounting and financial statements.

Accounting standards

The Group has a single accounting framework (with the exception of the Brazilian companies), covering both general accounting procedures in respect of the Group's transactions (financial accounts) and the more detailed, analytical information by business sector (management accounts).

Management tools

The monthly report package drawn up by the Administrative and Finance Department is the main management tool used for the Group's activities, covering both the operating performance of the production units and their financial performance. It is based on information collected and consolidated each month in accordance with a standardised process, under the responsibility of the Management Control Department.

This management tool plays a key role in the production of the monthly, parent company and consolidated financial statements.

Processes used in the preparation of the accounting and financial information

The Group's transactions are input into the accounting systems by the accounts staff, under the control of the Accounting Department. The accounting process is computerised using a single platform throughout the Group, whose operation is specifically regulated (restrictions on access).

The accounts of each legal entity included in the consolidation scope are closed on a monthly basis. This monthly closing is carried out by the accounts staff in accordance with a standardised process (downloading of provisions and orders issued by the computer-aided maintenance management system, inventory reports, recognition of commissioning of property, plant and equipment, payroll, etc.) which includes a review by the Accounting Department (cut-off entries, checks of bank reconciliations, etc.). Trial balances are extracted from which monthly financial statements are drawn up, which are then checked for consistency by the Management Control Department. This extraction is sent to a third-party service provider responsible for its consolidation and for producing, under the responsibility of the Administrative and Finance Department, the monthly consolidated financial statements.

Checks are carried out at several stages in the process, to ensure that:

- intra-group transactions have been correctly eliminated;
- the consolidation adjustments are consistent;
- the accounting standards have been correctly applied;
- the accounting and financial information is consistent with the budgets and management information.

The annual consolidated and parent company financial statements and the half-yearly consolidated financial statements, audited (in the case of yearly statements) or reviewed (in the case of half-yearly statements) by the Statutory Auditors, are produced using the same process based on a detailed timetable provided by the Administrative and Finance Department to all parties involved.

Audit, Accounts and Risks Committee

The role of the Audit, Accounts and Risks Committee is described in detail in Section 2.3.3.1 on pages 117 *et seq.* of this Universal Registration Document. In particular, this Committee reviews the Company's parent company and consolidated financial statements prepared on an annual and half-yearly basis prior to their approval by the Board of Directors by verifying the effectiveness of the financial information preparation process.

Role of the Statutory Auditors

The accounting and financial information produced by the subsidiaries included in the consolidation scope and used to prepare the consolidated financial statements is the subject of a limited review at the half-yearly closing and a full audit at the year-end closing, carried out by a team of two independent Statutory Auditors. In this regard, the Chief Financial Officer and the legal representatives of all Group entities give a formal undertaking to the Statutory Auditors as to the accuracy, reliability and fair presentation of the accounting and financial information for which they are responsible.

Audits are carried out locally by a Statutory Auditor from the Company's team of Statutory Auditors or by a third party. The financial statements of consolidated subsidiaries are audited on an annual basis and are certified by the Statutory Auditors concerned.

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

1.6.3. INSURANCE POLICY

1.6.3.1. General remarks

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

- "Construction" policies put in place for new investments;
- "Damages" policies, the major types of these being: "All risks except" and "Consecutive damages and operating losses following designated events";
- "Civil Liability" policies, covering both general and professional liability, "Civil liability for environmental damage" and "Civil liability of corporate officers";

- motor car and personal accident insurance.

However, the Group cannot guarantee that these policies are or will be sufficient to cover the losses that might arise from a major operational stoppage at its power plants, to repair or replace the damaged sites or to compensate for the consequences of any action by a third party. The Group's financial position and results could be materially affected if it were to suffer a serious incident that is either uninsured or not sufficiently insured, or which significantly exceeds the coverage limits imposed by the insurance firms, or if it was subject to a delay in the settlement of its insurance claims.

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

The total amount of premiums paid by the Group in respect of its various insurance policies (excluding Brazil) comes to €6.8 million in 2021, up on 2020 due to the tighter market conditions. They are increasing in 2022 (€7.7 million).

1.6.3.2. Summary of main policies

Damage and operating losses

Thermal Biomass

During 2021, the Group's thermal power plants in France and Mauritius were covered by the following insurance policies:

- First-line policy with an insured amount of €1,845 million for direct loss and damage and €558 million for operating losses, with a variable excess depending on the plant and the type of loss or damage (minimum of between €400,000 and €800,000 for direct loss and damage, and between 30 and 45 days for operating losses), with an aggregate pay-out limit per plant (€250 million, limited to two plants) or a specific limit per event (i.e., storms, hurricanes and machine breakage);
- Second-line policy with an insured amount of €642 million for direct loss and damage and €206 million for operating losses, with an excess of €250 million and an aggregate pay-out limit per plant of €150 million.

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

During 2021, the Group's thermal power plants in Brazil were covered by the following insurance policies:

- policy providing BRL 193 million for direct damage and BRL 25 million for operating losses for Albioma Rio Pardo Termoelétrica;
- policy providing BRL 165 million for direct damage and BRL 52 million for operating losses for Albioma Codora Energia;
- policy providing BRL 179 million for direct damage and BRL 44 million for operating losses for the Albioma Esplanada Energia plant;
- policy providing BRL 207 million for direct damage and BRL 54 million for operating losses for the Albioma Vale do Paraná plant.

Geothermal Energy

As at the date of filing of this Universal Registration Document, the Turkish plants had the following insurance cover:

- direct loss and damage (plants and wells), for a total amount of USD 54.3 million;
- operating losses, for a total amount of USD 14.6 million.

Solar Power

During 2021, the Group's photovoltaic installations were covered by several insurance policies for a total amount of €198 million for direct loss and damage and €57 million for operating losses.

Operational civil liability

During 2021, the Group's Solar Power and Thermal Biomass businesses in Overseas France were covered by operational civil liability policies for €40 million per claim, and also have civil liability after delivery coverage/professional civil liability coverage of €40 million per claim and per annum.

The Group's Brazilian subsidiaries were covered by operational civil liability policies for BRL 29 million.

Civil liability for environmental damage

During 2021, the Thermal Biomass business (excluding Brazil) was insured for €30 million over three years (€20 million per claim) against environmental damage (including clean-up costs, which are covered for up to €5 million).

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

Civil liability of corporate officers

During 2021, the managers of Albioma and its subsidiaries (excluding Brazil) were covered for an amount of €50 million per annum (two lines of €25 million each) against civil liability. Albioma's Brazilian subsidiaries were covered for BRL 76 million.

1.7. Non-financial performance declaration

Order 2017-1180 of 19 July 2017 and Decree 2017-1265 of 9 August 2017 have transposed the European directive amending Article 225-102-1 of the French Commercial Code requiring the companies to which it applies to disclose labour, environmental and social information in their management statement. For the second consecutive year, Albioma falls within the scope of this regulation requiring it to disclose non-financial performance information (Non-Financial Reporting Directive – NFRD).

Work was carried out to identify, structure and update the non-financial risks, led by the CSR and Environment Department, resulting in a map of the non-financial and diversity risks and opportunities. This map covers the operations of the Group and its main business partners. In this sense, the risk analysis includes all of its Biomass, Thermal, Solar Power and Geothermal business activities – development, construction and operation. The quantitative and qualitative information contained in this Section concern all fully consolidated entities (see additional information in Section 1.7.6.3 page 84 of this Universal Registration Document).

1. Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU concerning the disclosure of non-financial and diversity information by certain large companies and certain groups.

The Group is focusing on the following non-financial risks and opportunities aligned with its material non-financial issues:

Significant non-financial risks	Section corresponding to this Universal Registration Document
Risk associated with the safety of employees, subcontractors and outside companies working onsite	Section 1.7.2.2, pages 52 <i>et seq.</i>
Labour relations risk	Section 1.7.2.3, pages 54 <i>et seq.</i>
Risk associated with public policy on combating climate change	Sections 1.7.3.1, pages 59 <i>et seq.</i> and 1.7.3.2, pages 60 <i>et seq.</i>
Risk associated with biomass fuel procurement	Section 1.7.3.3, pages 64 <i>et seq.</i>
Risk associated with the disposal of combustion and flue gas treatment by-products	Section 1.7.3.3, page 66
Industrial accident risk	Section 1.7.3.4, pages 67 <i>et seq.</i>
Air pollution risk	Section 1.7.3.4, page 69
Risk associated with being accused of non-use of local service providers	Section 1.7.3.5, pages 71 <i>et seq.</i>
Risk associated with local populations finding projects unacceptable	Section 1.7.3.5, pages 73 <i>et seq.</i>
Risk associated with environmental and labour relations compliance	Section 1.7.4.1, pages 74 <i>et seq.</i>
Corruption risk	Section 1.7.4.2, pages 75 <i>et seq.</i>

The mandatory non-financial performance information must also include other categories of information such as respect for human rights and combating tax evasion (see additional information in Sections 1.7.4.3 on pages 76 *et seq.* and 1.7.4.2 on page 76 of this Universal Registration Document) identified as non-significant risks for Albioma.

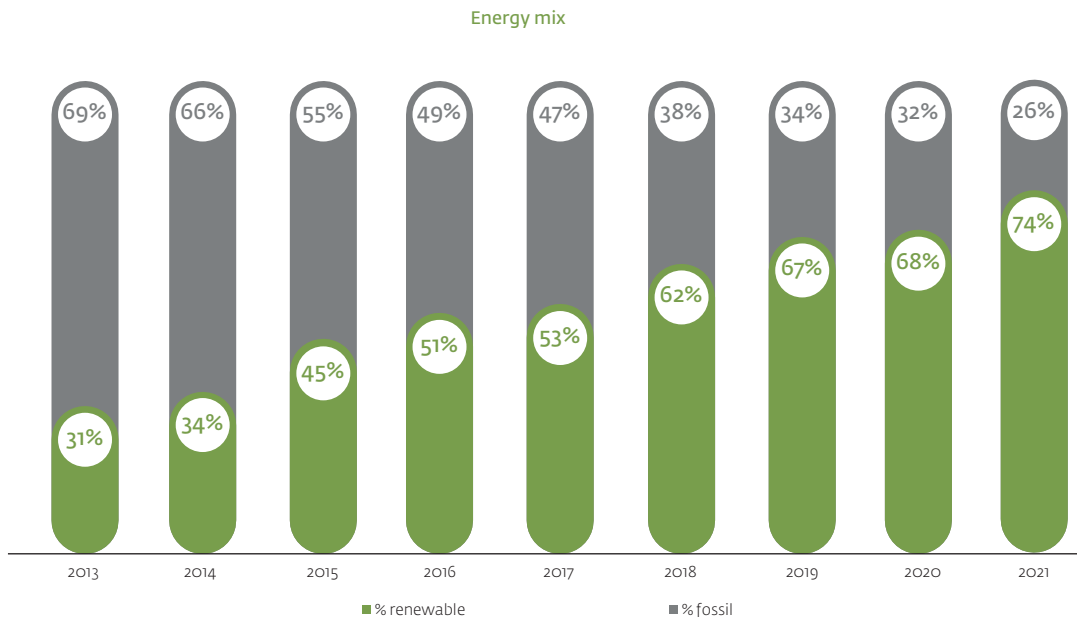
The description of the business model (see additional information in Section 1.3.1 on page 8 of this Universal Registration Document) for the entire value chain was the starting point for the risk analysis as it identifies the main environmental, labour relations and social issues in the Group's business environment that are liable to intensify the risks, their impacts and potential dependencies. The non-financial risks are identified and updated using a top-down mapping approach mainly consisting of interviews with the executive management of the functional departments, based on an analysis of scenarios fitting the Group's business activities and taking into consideration its relationship with its partners. This integrated risk mapping approach is consistent with the international Global Reporting Initiative (GRI) guidelines. This pragmatic methodology is used to assess the Group's exposure to these risks, adopting a rating scale combining the impact and vulnerability associated with

each risk with the aim of assessing vulnerability rather than the likelihood of the risk occurring – a concept sometimes difficult to apply to environmental and societal risks, given their special nature. Updating the risk mapping in 2021 has resulted in a list identical to that in 2020. The measures take to control each risk and the associated actions deployed in 2021 have therefore been updated based on a series of targeted meetings with the contacts responsible for managing the risks. The results of this work have been consolidated with the Group's risk map (see additional information in Section 1.6.2.4 on page 42 of this Universal Registration Document).

This work has been presented to the Board of Directors, which along with the Audit, Accounts and Risks Committee, ensures that the risk identification and management processes are properly implemented.

1.7.1. A POSITIVE CONTRIBUTION FIRMLY ROOTED IN THE BUSINESS MODEL

Albioma has set itself the mission of actively helping the regions achieve their energy transition. In line with this positioning, the Group has been working for some years to increase the share of renewables in its power production mix. The results of the efforts made in this direction are measured by a key indicator: the Group's ratio of power production based on renewables relative to its total power production. The share of renewables in the mix has been constantly increasing since 2013, and in 2021 it represented 74% of the mix.



In December 2020, Albioma underlined its commitment by announcing the issue of its first Sustainability-Linked Euro PP, amounting to €100 million, part of whose financial details is linked to the share of green energies in the Group's mix: more than 80% renewable energies in 2023, more than 90% in 2025 and nearly 100% in 2030.

For more than seven years, Albioma has focused its development efforts and investments on projects that call on the following Group skills and industrial expertise gained in its well-established businesses:

- Energy generation from sugar-cane bagasse, a model developed in Overseas France in the '90s and in operation in Brazil since 2014;
- Development of solar energy, for which Albioma has increased its market share in Metropolitan France since 2018 while maintaining its leading position in Overseas France.

The increased share of the production mix represented by renewables in 2021 is also largely attributable to the use of the Group's first geothermal power plant following its acquisition of a controlling interest (75%) in the share capital of Gümüşköy in Turkey's Izmir region at the beginning of the financial year. This acquisition gives Albioma a bridgehead in a new business characterised by significant technical added value, offering a strong fit with the Group's well-established Biomass and Solar Power businesses. Like biomass, geothermal energy production is controllable, which enhances the dependability of electrical networks and facilitates the development of other, intermittent energy sources such as solar power. Future greening of the mix will be based on other growth opportunities, along with Albioma's ambitious plan to convert its existing bagasse/coal-fired power plants in Overseas France for 100% biomass operation. 2021 was also notable for being the first complete year of 100% biomass operation in one of the three Albioma Le Moule units in Guadeloupe and the start of conversion work on the Albioma Bois-Rouge power plant on Reunion Island.

1. This relates to fully consolidated companies.

These power plants are essential to the energy transition of France's overseas islands, as they increase the penetration of intermittent renewable energies into these electricity supplies cut off from continental power generation. In the past, their small scale has benefited fossil fuel-fired generators (coal and oil). The solution that Albioma introduced more than 25 years ago already reduced the carbon footprint of the energy mix on Reunion Island and in Guadeloupe by recovering energy from bagasse during the sugar cane harvest period lasting around six months every year. This flagship circular economy model has also repeatedly shown its resilience in these islands, which face extreme weather risks such as hurricanes and earthquakes. Consequently, to provide end users with a stable and reliable electricity supply all year round, Albioma designed these power plants to use a hybrid combustion technology so they can burn other fuels – coal until now – in the same production power plant as well as bagasse. The decision to stop using coal and replace it with biomass was taken, in accordance with the French Government's Climate Plan presented in 2017, even though no date has been fixed for ending coal use in France's overseas territories.

This historic model, along with the Group's transformation and development ambitions, make Albioma a direct contributor to the Sustainable Development Goals (SDGs) of the United Nations for 2030. Of the 17 SDGs, Albioma is contributing most actively to three:



- Its positioning designed to meet the base-load electricity requirements on islands cut off from continental power generation (French overseas departments and regions and Mauritius) and provide a more stable electricity supply, as well as greater use of intermittent renewable energies (solar, wind, etc.)
- Its ambitious strategy of converting its bagasse/coal-fired power plants for 100% biomass operation to substantially increase the share of renewables in its energy mix on Reunion Island and in Guadeloupe
- Higher performance to consume fewer resources as a key element of its thermal power plant acquisition model in Brazil



- Hybrid combustion technology to enable different types of fuels to be used while protecting the environment and favouring the adoption of a circular economy
- Ground-breaking innovation with the commissioning of the world's first combustion turbine powered by bioethanol fuel on Reunion Island in 2019
- Increasingly recognised photovoltaic generation and storage expertise in over-the-counter or tender contracts
- A third, emerging business consisting of developing and operating geothermal facilities in Turkey thanks to the acquisition of a first 13 MW unit there in January 2021 followed by a second, 18 MW, unit in February 2022



- Our support for the energy transition supplying France's regions with renewable energies (biomass, solar and geothermal)
- A roadmap consisting of reducing the Group's carbon intensity in line with changes in its energy mix, and a goal of achieving virtually 100% renewable energy operation by 2030

To further increase the scope of its contribution to the SDGs, the Group has also set itself eight priority commitments relating to its social responsibility. Literal levers for transformation, these commitments form the Group's first CSR roadmap for 2018–2023. These clearly illustrate Albioma's desire to do more to foster the sustainable development of our planet and the regions, while also directing its actions towards its employees by guaranteeing them the best working conditions. From these eight commitments, the Group derives the following goals and an action plan whose priorities are approved every year by the Group's top management.

Environment

1. Support the energy transition	Decrease our carbon footprint Continue reducing our gaseous emissions Harness the digital transformation to enhance our industrial performance
2. Use resources sustainably	Use energy resources more efficiently Decrease, recycle and recover waste Optimise use of water resources
3. Protect biodiversity	Promote sustainable use of agricultural and forestry resources for fuel Help protect flora and fauna at our sites and in surrounding areas

Social

4. Ensure health and safety in the workplace	Develop a shared safety culture Involve subcontractors in our safety processes and help them meet our requirements
5. Support and motivate employees as we transform their professions	Nurture talent Encourage employees to play their part in the Group's energy transition
6. Actively promote equal opportunities	Increase the proportion of female employees hired Take part in efforts to combat youth unemployment and employ the disabled

Society

7. Expand responsible purchasing practices	Ensure that biomass procurement is traceable and sustainable Enhance the inclusion of CSR considerations in purchasing procedures
8. Work more closely with local communities	Foster dialogue with third-party stakeholders Play a part in driving local socio-economic development Conduct public interest initiatives that are consistent with the Group's businesses

This CSR roadmap covers all of the Group's businesses and involves all operational and functional departments. Its deployment is supervised by the CSR and Environment Department, which steers and coordinates all actions taken by the Group. Prior to the deliberations, the Board of Directors is also consulted regarding any strategic points associated with the implementation of this sustainable development policy, through a special volunteer committee, the Corporate Social Responsibility Committee. The variable remuneration of executive management is based on the achieving of quantitative and qualitative non-financial objectives as well as financial objectives (see additional information in Section 2.4 on pages 132 *et seq.* of this Universal Registration Document). Four years after the CSR roadmap was rolled out, the transformation process of Albioma began. Its success was underlined by the distinct improvement in its non-financial rating by V.E. (formerly, VigeoEiris). This rating rose from 50 to 63/100 between 2017 and 2021 (see additional information in Section 1.7.5 on page 77 of this Universal Registration Document).

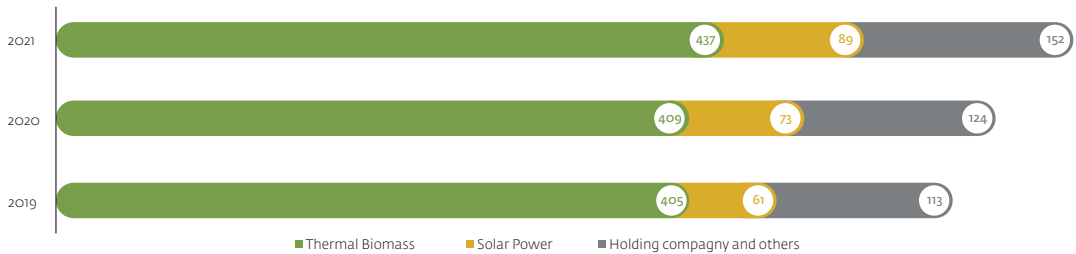
1.7.2. A HUMAN RESOURCES POLICY THAT ADDRESSES THE GROUP'S STRATEGIC ISSUES

For two years, despite the worldwide health crisis, all Albioma employees have joined forces to ensure continuous electricity production, thereby providing a service essential for the infrastructures in the regions in which the Group operates to work.

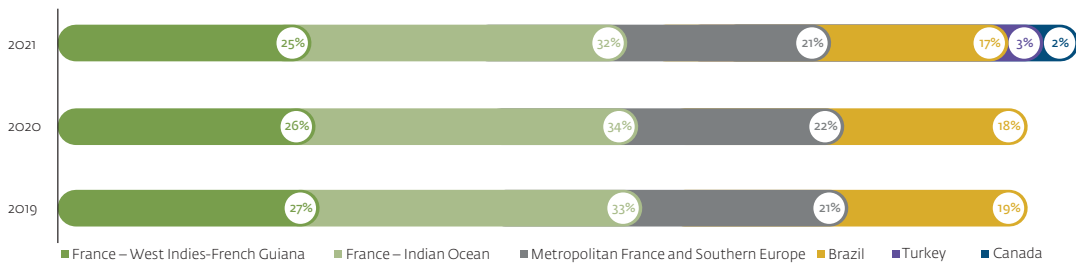
The resilience shown by the Group rests on the skills and commitment of each employee, but equally on an organisation whose transformation began in 2017. This transformation is the result of defining the strategy intended to make Albioma an energy producer firmly committed to helping France's overseas departments and regions achieve their energy transition. The implementation of this transformation is based on the Group's employment policy and the initiatives launched in the deployment of the CSR roadmap 2018–2023.

As at 31 December 2021, the Group employs 678 people, up on last year (+12%). One of the main changes is due to the addition of around thirty new employees as a result of the Group's acquisition of the first Gümüşköy geothermal plant in Turkey and the biomass wood pellet production plant beside Lac Taureau in Canada. In its existing businesses, the most significant change is in its Solar Power business (+22%), in line with the trended results for this strategic area of development. Slightly less than two-thirds of the Group's employees work in its Thermal Biomass business. Most of the workforce continues to be based in Overseas France.

Breakdown of workforce by business sector, as at 31 December



Breakdown of workforce by geographic location, as at 31 December



To deliver a continuous base-load electricity supply to the grid, the thermal power plants operate continuously, excluding annual maintenance shutdowns. Slightly more than a third (35%) of the employees are therefore required to work in shifts around the clock, with non-standard hours. Overtime represents 6.7% of the hours worked in 2021, which is relatively stable compared to previous years. The Group's absenteeism rate for the year was 4.4%.

1.7.2.1. An organisational transformation supporting the strategy

An initial major organisational change was made in 2017, resulting in a matrix comprising five functional departments being set up to serve the regions in which the Group operates (see additional information in Section 1.5.3 on page 28 of this Universal Registration Document).

Another phase of this transformation began in 2020 with the definition of a new organisation for one of the functional departments, the Industrial Department. The main objective is to better direct the Group's forces towards its key challenges: ensuring the performance provided by existing facilities, improving the control of construction projects and preparing the performance of future facilities.

This new organisation is structured around four divisions :

- An Operational Support division and a Maintenance Support division, intended to assist the operating teams in improving their working practices;
- A Construction Projects division, intended to structure the Group's approach in its projects to revamp existing facilities or build new ones;
- A Fuels and Energy Regulation Board Relations division, whose main tasks are based on building solid relationships with our fuel suppliers and our strategic partners, including the Energy Regulation Board.

As well as setting up this organisational matrix and these industrial performance and development objectives, the Group's culture is also being transformed, based on stronger cooperation and shared responsibility, more systematic working methods and continuous improvement processes, and a partnership culture that improves customer-supplier relations.

A collective effort supervised by the Industrial Department's Construction Projects division for all Group Departments has developed a Project Management Operational Guide for our Thermal and Solar Power businesses and covering all our regions, with the following aims:

- Improve security, quality, cost and time management;
- Prepare and validate technical choices in advance;
- Prepare for and anticipate important decisions.

1.7.2.2. An active policy towards health and safety in the workplace

A resilient Group in a worldwide pandemic

The Group successfully coped with the crisis caused by the Covid-19, speedily implementing appropriate measures to guarantee the health and safety of its employees through good labour relations. Albioma's employees demonstrated professionalism in ensuring that power generation continued uninterrupted, enabling our regions' essential services to operate smoothly. The crisis underscored the value of controllable renewable energy production, vindicating and strengthening Albioma's positioning.

When the conditions permitted, Group maintenance projects and operations could continue while taking into account the sanitary rules fixed by the Government. This was the case both for works on Thermal Biomass facilities and for the Solar Power business, with the construction of many plants. The provision of sanitary equipment was a prerequisite to the continuing of work onsite, with employee health remaining a priority.

A Group crisis management unit was set up as soon as the pandemic began in 2020, with the objective of taking the most appropriate measures in real time. To enable Albioma to consider what this unexpected crisis can teach us, this crisis management unit was used to formalise feedback and take the time to analyse the measures set up to deal with the crisis. Taking a necessary step back in this way, as well as conducting internal interviews to gather information and measure employee feelings during the lockdown, has enabled

us to take stock of the crisis we have lived through and find ways forward to plan for the Group, adopting a positive approach. This unit was reactivated at certain times in 2021, including when the third wave occurred in France and 100% teleworking was reintroduced for four weeks in March 2021.

Safety Master Plan

Because of its businesses, construction sites and maintenance operations, the Group operates industrial facilities and so is exposed to a risk of accidents by its employees, subcontractors and outside companies working on its sites.

The Group has made commitments regarding health and safety in the workplace, and these commitments are recorded in the CSR roadmap 2018–2023. To embody them, Albioma has adopted a Safety Master Plan with the ultimate goal of zero accidents. Built around six commitments, it is applied in all Group organisations and steered by the Industrial Department:

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

Develop a shared safety culture

2021 was notable in terms of safety with the conducting of a diagnosis by a leading firm specialising in safety audits. Lasting four months, this diagnosis firstly consisted of a questionnaire sent to each Group employee, regardless of their position and region, asking their opinion of safety in the Group. The high participation rate (78%) enables us to draw conclusions that we can deem representative. This diagnosis also included other aspects such as a documentation analysis, interviews with operational managers and field inspections of certain plants. The diagnosis has led us to decide to launch a programme structured around three actions in 2022:

- Training a pool of operational and support managers to develop their ability to see risks and improve risk-related behaviour
- Assisting operational site managers in developing their safety management skills, completing their managerial routines and improving everyday risk-related perceptions and behaviour

- Developing safety governance and processes with the aim of monitoring proactive indicators and improving the tracking of events with a high risk potential.

Knowing the commitments made by the Group's Management, adopting the methods and tools and sharing best practices are all essential if our employees are to protect themselves against the risk of accidents. For several years, the Group has adopted ten golden safety rules intended to prevent major risks in its operational activities.

Based on actual situations, these golden rules form a practical guide describing how to behave in hazardous situations and not only concern all employees working in head office and subsidiaries, but also apply to all subcontractors and visitors entering Group sites. Since their creation, Albioma's ten golden safety rules are brought to the attention of all new hires, translated into all of the Group's languages, and all current employees are regularly reminded of them. To reinforce the safety processes of outside companies, the golden rules are also explained to each subcontractor during their safety induction:

- respect and exemplarity;
- protective equipment;
- risk situations;
- traffic;
- lifting operations;
- consignment;
- working at heights;
- confined spaces;
- driving machinery;
- work with hot spots.

Training is also an opportunity for reminding attendees of the golden rules adopted by the Group. In 2019, the Le Gol plant on Reunion Island held the Group's first "safety day" event, providing an opportunity for promoting awareness of everyday hazards while also including fun team-building activities. In 2020, a special training programme was deployed for project managers and works managers, most of whom are in Overseas France, in preparation for the major conversion projects to come. Training is also a major focus chosen for 2022, as we have already said, in line with the external diagnosis carried out in 2021.

In this financial year, most of the Group's health and safety training courses are a regulatory obligation. Accordingly,

its employees were recorded as attending an average of 24 hours of training on health and safety.

In hours	2021	2020	2019
Average number of hours of training on safety issues per employee	24	16	17

Achieving these health and safety goals requires the backing of all hierarchical levels of the company. Consequently, all executives were set personal occupational health and safety performance goals as part of their variable remuneration.

Health and safety conditions in the workplace

The Group has invested in operational resources at each industrial facility, to address health and safety issues affecting its employees and partners. A QSE (Quality, Safety and Environment) manager or safety technician has been appointed at each Group thermal facility to enforce applicable standards, when each region has its own QSE manager for the Solar Power business. Safety newsflashes and monthly reports were sent to all Group entities to share accident, near-accident and incident news between facilities and analyse their causes to prevent them reoccurring.

We have continued to work to improve and standardise our safety management systems to further increase our suppliers' involvement in this effort. Albioma has voluntarily adopted a set of general safety and environmental protection rules (*Règles Générales de Sécurité et de Protection de l'Environnement* – RGSPE) approved with the employee representative bodies of entities that have them. They have also been adopted in Brazil. The risk prevention measures specific to construction sites have been included in the Project Management Operational Guide produced in 2020 (see additional information in Section 1.7.2.1 on page 52 of this Universal Registration Document).

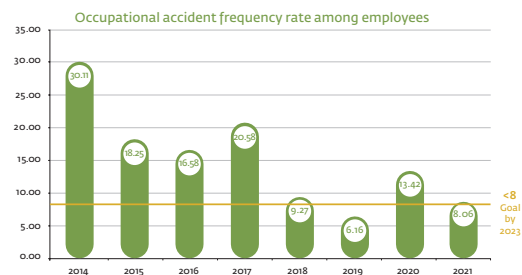
Historically, the two thermal power plants on Reunion Island (Albioma Le Gol and Albioma Bois-Rouge) and the photovoltaic plants in Overseas France all have a certified health and safety management system. In 2020, the facilities with ILO-OSH 2001 certification have successfully changed to ISO 45 001 certification, and the scope of Solar Power facility certification has been extended to include facilities in Metropolitan France.

In France, the establishment in November 2019 of the Social and Economic Committee incorporating the former Occupational Health and Safety Committee (*Comité d'Hygiène, de Sécurité et des Conditions de Travail* - CHSCT) has been underpinned by new modes of dialogue on occupational health and safety.

This dialogue, in addition to being a regulatory requirement, is intended to improve accident prevention by respecting the roadmap set out in the Safety Master Plan.

Although the Group's accident frequency and severity rate constantly improved between 2014 and 2019, the number of accidents rose in 2020 and a fatal accident occurred in 2021, involving an employee of a subcontracting company in Turkey. This dramatic event occurred when removing equipment following a drilling operation at the new Gümüşköy plant. Corrective measures were immediately taken, such as organising a safety quarter-hour in all of the Group's units three days after the accident. This event also confirmed the relevance of external support, resulting in a safety diagnosis in 2021 followed by a widespread training programme in 2022.

KEY PERFORMANCE INDICATOR			
	2021	2020	2019
Employee accident frequency rate	8.06	13.42	6.16
Employee accident severity rate	0.25	0.33	0.22



Monitoring of subcontractor accidents was introduced several years ago. The stepping-up of construction work at our existing sites in the coming years makes this a key performance indicator.

KEY PERFORMANCE INDICATOR			
	2021	2020	2019
Number of service provider accidents ¹	16	6	15

1. Service provider accidents resulting in more than 24 hours of time off are recognised.

A safety induction process for outside companies has been set up at all Group sites. At certified French sites, additional efforts are made to uphold compliance with safety procedures by subcontractors, such as twice-yearly meetings to present Albioma's safety commitments and annual performance reviews potentially resulting in a subcontractor being barred.

1.7.2.3. Energised labour relations

The Group attaches considerable importance to its labour, human and inclusive aspects, which form the basis of good labour relations. Whenever possible, this is achieved through collective bargaining within the employee representative bodies, attentiveness and permanent dialogue at all levels.

Like many companies, Albioma is exposed to a risk of strikes and other social conflicts. Such events, which may originate within the company or be more generalised (e.g. action affecting the entire electricity and gas industries or general industrial action), can result in the production facilities being shut down for short or longer periods of time. Their potential impact can be particularly serious for the Thermal Biomass business in Overseas France, since its business model is based on its availability. However, it should be noted that the most recent significant collective action dates back to 2015.

Since 2018, Albioma Management has chosen to set up a structured and sustained labour relations policy to energise good relations. This too is an important element of the Group's transformation project discussed earlier. This policy pursues three goals:

- restoring the authority of the corporate management;
- upholding trade union pluralism;
- questioning practices or habits that are contrary to a performance culture.

In France, the establishment of the Social and Economic Committee in 2019 provided an opportunity for ensuring that this policy becomes firmly rooted in the employee representative bodies. In Brazil, each plant has trade union representatives with whom negotiations are held each year. As well as complying with the regulatory obligations relating to labour law in the country to which they apply, Albioma has committed to the fundamental treaties of the International Labour Organisation (ILO), including freedom of association and the right to collective bargaining (see additional

information in Section 1.7.4.3 on pages 76 *et seq.* of this Universal Registration Document).

The skills development of those involved in labour relations and union relations is a lever for good labour relations. Site management changes provided an opportunity for setting up special training courses on labour relations management and conflict prevention.

Organisation of employee-management dialogue

France

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

For thermal plants in French overseas departments and territories:

- on Reunion Island, the “Thermique Réunion” economic and employment unit (Unité Économique et Sociale – UES), which meets twice a year, brings together Albioma Bois-Rouge and Albioma Le Gol. Each of these companies elected a Social and Economic Committee, which in November 2019, replaced the previous employee representative bodies;
- in Guadeloupe and Martinique, a Social and Economic Committee was similarly elected in November 2019, replacing the previous employee representative bodies in each of the companies.

For solar power plants in Metropolitan France and Overseas France:

- the Social and Economic Committee of Albioma Solaire France includes all solar power entities in Metropolitan France where the photovoltaic plants and the administrative body are located;
- Social and Economic Committees have been created for the Group’s Solar Power business in the Indian Ocean and West Indies-French Guiana regions, and their members were elected at the beginning of 2022.

The Social and Economic Committees meet approximately once every two months. As part of labour relations, consultative meetings, chaired by the Group’s Human Resources Director and bringing together the Trade Union Representatives of all French thermal power plants, are held twice a year in Paris alongside Works Committee meetings, chaired by the Company’s Chairman and CEO. Following the complete revamping of the employee representative bodies as Social and Economic Committees at the parent company

and the thermal plants, the Works Council was also reconstituted in December 2019 in accordance with the provisions of the June 2010 agreement governing its establishment. The Works Committee met twice in 2021.

Brazil

In Brazil, the regulations do not require the creation of an employee representative body if there are less than 200 employees. Between 30 and 40 employees work at each of the Group’s Brazilian plants. However, all the employees are represented by a single trade union for the industry. Local laws and regulations require annual negotiations including pay reviews.

Turkey

The Group’s first acquisition of a geothermal power plant, the Gümüşköy plant in Turkey, has shown that there is no legal requirement for employee representative bodies.

	KEY PERFORMANCE INDICATOR		
	2021	2020	2019
Share of workforce covered by employee representative bodies	83%	89%	90%
Share of workforce covered by collective agreements on work conditions	86%	86%	87%

Review of collective bargaining agreements

In 2021, all Group employees in France were covered by a collective bargaining agreement or had a special status relating to employees in the electricity and gas industries (IEG).

The labour relations policy of Albioma results in the signing of a number of collective bargaining agreements each year, relating to a specific topic or taking the form of reports of decisions covering several subjects. The implementation of these agreements is duly maintained.

In 2021, 29 such collective agreements were signed, compared with 18 in 2020 and 25 in 2019. Four of these agreements concerned health and safety in the workplace. The signing of multiple collective bargaining agreements in 2021 reflects the continued strength of the labour relations policy at Albioma. Proof of sustained and energised labour relations, the CFE-CGC, CFDT and CGT trade union organisations have returned to the central and local negotiating tables in France since 2020. A major agreement relating to labour relations and union rights has been signed with the three organisations represented at the Albioma thermal power plant to codify practices there and prevent labour disputes.

No days of strike action associated with a specific controversy involving Albioma were recorded for this new year, as in 2020.

1.7.2.4. Skill development and talent retention

Albioma is committed to building a great company to work for, and to offer its employees a modern, professional working environment conducive to personal fulfilment and collective performance. The Group encourages employees to continuously develop their skills, and supports them in their changing professions. In fact this is one of the commitments of the CSR road map 2018–2023.

Group training policy

The Group has been pursuing its goal of investing in an average of 35 hours of training per employee per year for several years, as Albioma considers that the professional development of its employees is a key issue in its effective performance.

In hours	2021	2020	2019
Total training hours	28,694	17,736	19,513
Average number of training hours per employee	42	29	34

In the course of labour relations within each Group company, the strategic choices associated with professional training are discussed alongside the annual or multi-annual plan detailing the make-up of the training expenditure. The plan is drawn up within each company combining i) the professional development needs as expressed by employees and discussed with their line managers in their annual interviews and ii) the skill development needs determined by the company.

Training expenditure may be covered by a collective bargaining agreement, as is the case at the Le Moule facility in Guadeloupe following its merger with neighbouring entity Albioma Caraïbes (three-year agreement signed on 11 July 2018). In 2020, Albioma Galion began a support process directed at all its operational and maintenance teams. Its objective is to set up a training path combining theory with practice in order to consolidate the common foundation of technical skills, including the different areas of expertise. The Albioma Bois-Rouge bagasse/coal plant, where work to convert it to 100% biomass operation began in 2021, will be the next facility concerned by the deployment of skills development plans scheduled for 2022 onwards.

The training expenditure may also be directed towards a specific area of skill development determined annually and discussed with the Social and Economic Committee. This is the case with the Holding, which chose “Leadership and management basics” as the main theme for its plan in 2019 with the objective of building the professional skills of its management to effectively support the company’s development. This training programme consisted of three modules: conducting effective annual performance reviews, day-to-day management, and working effectively in a team. For this reason, the format of the annual performance reviews for the Holding’s employees has been revised: the new format includes a team goal and a behavioural goal in addition to the personal goals. It also enables the managers to identify their team’s choice of skill development through training and career development. Two shorter training sessions have also been set up for members of the Executive Committee. In 2020, the theme of “Project Management” was selected as the main training investment vector.

The health crisis caused by the Covid-19 offered an opportunity to apply e-learning methods by means of training modules on soft skills, as well as blended learning through the Conversio programme deployed in 2021, to all employees working in France (see additional information in Section 1.7.2.4 on pages 56 *et seq.* of this Universal Registration Document). To be more exact, training on cross-functional skills (communication, leadership, etc.) was offered within the Group. The “e-reputation” ambassadorship programme was introduced to apply these skills, with the aim of training employees able to use the social networks to communicate responsibly regarding the Group’s issues.

Lastly, 2021 saw the emergence of the first talent development programme for the next generation of leaders in Albioma. Six participants selected from employees less than 40 years old and consisting of an equal number of men and women were given the opportunity to examine digitalisation in the transformation of our businesses.

Remuneration policy, employee benefits and employee shareholding scheme

The Group operates a remuneration policy based on local employment market conditions, fairness considerations within the Group, applicable legislation and, in some cases, collective bargaining agreements and specific rules relating to employees in the electricity and gas industries (IEG).

Albioma's remuneration policy reflects each individual's responsibilities and performance as well as collective performance, through a profit-sharing plan, an incentive scheme, an employee savings scheme, the allotment of performance-related bonus shares and a range of benefits. Albioma establishes its remuneration policy with regard to market practices and the Group's budget targets.

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

In Brazil, the change in employee remuneration derives from a combination of annual pay negotiations and consideration for promotion and personal performance. In particular, the year-on-year change in remuneration reflects the inflation rate in Brazil. Local laws and regulations require annual pay review negotiations.

Data on the Group's total payroll and its progression are available through the financial statements (wages and payroll) published in the Universal Registration Document) (see additional information in Section 5.1 on page 226 of this Universal Registration Document).

Following the success of its operation in 2020, Albioma's Board of Directors repeated the operation to increase its capital reserved for eligible present and past Group employees, reflecting its commitment to expand and, in the medium term, establish a solid employee shareholding. The Group hopes that this programme, enabling employees to indirectly invest in Albioma stock on preferential terms while also benefiting from a favourable tax regime, will ensure staff have a real stake in its future performance, by aligning their interests with those of shareholders. More than 48% of eligible employees and former employees subscribed to the operation in 2021.

The Company's policy on share subscription or purchase options and the allotment of bonus performance shares is described in Section 6.4.1 on page 284 of this Universal Registration Document, together with the main features of the plans in place as at the date of filing of this Universal Registration Document.

Mandatory supplementary retirement plans for Group employees in France have been operated for a number of years. This was a voluntary decision for Albioma, while for the thermal power plants it is consistent with the policy applicable to the Electricity and Gas Industries branch, which concerns thermal power plant employees in France.

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

Employee commitment

Employee support and motivation have been elements of the Group's CSR roadmap since 2018. So that it can adapt the measures it takes to continue to enable the Group to progress, Albioma has decided to give each of its employees the opportunity to express his or her personal opinion. Given the turbulence caused by the worldwide pandemic, it seemed more necessary than ever to maintain the link between the Group and its employees. It was in this context that the Group launched its first commitment survey, VOX 2021.

It invited all its French, Brazilian and Turkish employees, consisting of nearly 650 people, to fill in an online questionnaire over a three-week period. The high participation rate (86%) provides a guarantee that the results are highly representative of Group employee opinions.

Certain of the results illustrate the Group's strengths:

- a high level of commitment, with more than 80% of the respondents saying that they are proud to work for Albioma and recommending Albioma as a company that it is good to work for;
- very strong backing for the strategic directions taken by the Group, which are seen as clear;
- a high level of confidence in decisions taken at all levels;
- fruitful cooperation within the Group's teams and a good understanding between people in their workplace;
- at the personal level, the respondents said that their work responsibilities were clear and their line managers were readily available and able to remove obstacles preventing them from doing their work properly.

The overall results of this commitment survey were presented to the Group's Executive Committee and Board of Directors.

Each region's results were sent to the management of the region concerned, which then organised the relaying of the results to their employees in order to identify areas for improvement, which will be worked on by small groups of volunteers in 2022.

1.7.2.5. Diversity and equal opportunities

Albioma has made combating all forms of discrimination a top priority. Promoting multiculturalism and diversity in our human resources is a positive factor in the Group's efficiency, creativity, reputation and attractiveness to talented workers. These commitments are stated in the Group's Code of Ethics.

The Group has also set itself two supplementary goals in its CSR roadmap 2018–2023. The first concerns the promotion of gender equality, while the second consists of acting to support professional integration, a major issue in areas such as Overseas France where unemployment is much higher than in Metropolitan France.

Women in Albioma

The proportion of women employed in the Group has been constantly rising since 2018, proof of its desire to act to increase diversity.

Breakdown of workforce by gender, as at 31 December



The proportion of female executives is also increasing (up 2% between 2020 and 2021). The talent development programme rolled out in 2021 to prepare the Group's future generation of leaders maintained the Albioma commitment to gender equality.

The gender equality index rose to 85/100 in 2021, up 6 points between 2020 and 2021 and a rise of 10 points since it was first published in 2019. It is calculated by comparing the number of female employees with the number of male ones in Metropolitan and Overseas France. The improvement seen relates to the gender pay differential. Three other indicators in the index – the differential between individual pay increases for men and women, the gender promotion gap and the percentage of employees receiving an increase in the year following their return from maternity leave – are unchanged at 100%. There is still room for improvement in the number of women among the ten most highly paid Albioma employees.

Measures to improve professional integration

Fighting youth unemployment is one of the Group's highest priorities; it has become even more vital under the pandemic and has led to professional insertion through apprenticeships, traineeships and international voluntary corporate internship (*volontariat international en entreprise* – VIE) and French overseas voluntary corporate internship (*volontariat territorial en entreprise* – VTE) agreements.

Albioma has a target of having an average of 5% of its workforce made up of trainees and people in international voluntary work and work-study programmes. This target was reached yet again in 2021, thanks to significant efforts to best achieve their insertion despite the special conditions under the health crisis.

After welcoming the first Overseas France voluntary corporate internship (VTE) agreement in Mayotte, Albioma worked with the rectorship of Martinique to launch its "*Programme plein d'avenir*" scheme for Overseas France students wishing to study renewable energies, introduced for the first time in 2021. This programme supports the region's students wishing to continue their studies to Master's (Bac+5) level, enables them to talk with operational personnel who love their work and offers them jobs, beginning with internships or work-study placements at the Galion thermal power plant or in the solar energy teams in Martinique.

These moves follow on from other actions in previous years, such as the partnership built up between the Reunion Island subsidiary of the Group's Solar Power business and Reunion Island's adult professional training association (*Association pour la Formation Professionnelle des Adultes de la Reunion* – AFPAR), with the aim of training job-seekers to become photovoltaic panel installers. This initiative helps better address the need to have a qualified labour force on Reunion Island to help grow the solar energy industry.

Equal opportunities also concern the employment of people with disabilities. At its Le Gol thermal power plant, Albioma has used work-study programmes to increase its local teams' awareness of disabilities by welcoming a young deaf and dumb work-study trainee learning to become an electrical technician since the end of 2020. Consequently, the Group had ten employees with disabilities in 2021. As the proportion of employees with disabilities is an indicator specifically required by French employment law, it has been calculated based on the headcount in France alone.

	2021	2020	2019
Percentage of employees with disabilities ¹	1.6%	1.5%	1.1%

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

Total purchases from firms operating in the sheltered sector were 25% up on 2020 but did not return to their pre-pandemic level. This is because teleworking has been widely promoted during the health crisis, partly resulting in fewer orders of Head Office office supplies from a partner company in the industry concerned.

1.7.3. ALBIOMA IS COMMITTED TO THE ENERGY TRANSITION...

1.7.3.1. ...in accordance with public policies on combating climate change

In France, the Law on Energy and Climate, which was adopted on 8 November 2019, states the key points of policy relating to the energy and ecological transition and updates the goals set by the Law on energy transition for green growth. The priorities for action and the resources used to achieve these objectives are set out in multi-year energy plans for each French overseas department or region. In 2017, the Reunion Island and Guadeloupe regions both published their multi-year energy plans for the 2018–2023 period. A special development plan for the biomass-to-energy process has been included in each multi-year energy plan, to confirm the conversion of a 100% coal-fired unit for biomass operation at Albioma Le Moule in Guadeloupe (this was completed in 2020), on the one hand, and the conversion of all three units at Albioma Bois-Rouge on Reunion Island (this began in 2021), on the other hand.

However, changes in the French and European public policies on energy (described below) could adversely affect the Group and threaten its ability to complete part of its strategy, consisting of ending its use of coal in its thermal power plants on Reunion Island and in Guadeloupe.

The conversion of the remaining bagasse/coal-fired facilities – the remaining two Albioma Le Moule units in Guadeloupe and the three Albioma Le Gol units on Reunion Island – is still to be finally confirmed as part of the ongoing multi-year energy plan 2023-2028 review process. The Group is confident in the result of the decisions that will be made in this respect, particularly in view of the Energy Regulation Board decision on 24 February 2022 to approve the conversion of the three Albioma Le Gol units to biomass operation. The Group continues to hold regular discussions with the local authorities (region, environment, planning and housing authorities, etc.) and national government as well as with its commercial partners (including EDF). Nevertheless, this waiting phase poses the risk that Albioma cannot show that the Group's strategy is consistent with the commitments that France made by signing the Paris Agreement, adopted when the United Nations Climate Change Conference (COP21) was signed in 2015.

Albioma firstly aims to replace coal by biomass from local sources, with no conflict of use and complementing bagasse from sugar refineries. Their use will create business and jobs while also ensuring the sustainability of those in the sugar cane industry. Scaling up the procurement of local fuels may take some time, as these industries must be created from new in these departments and regions (see additional information in Section 1.7.3.3 on page 64 of this Universal Registration Document). Furthermore, the supplies of local biomass are not enough to entirely replace coal in the plants. For these reasons, the fuel procurement plan anticipates importing biomass from abroad for the conversion. Albioma has more than three years' experience of importing wood pellets from North America to Martinique for Albioma Galion to operate and, more recently, to Guadeloupe for unit 3 of the Albioma Le Moule plant.

The sustainability of solid biomass fuels is regulated by the European directive relating to the promotion of renewable energy use (referred to as "RED II"), promulgated in December 2018 and to be transposed by the member States, initially fixed for 30 June 2021 and now scheduled for 30 June 2022 in France at the latest. This directive establishes the sustainability, greenhouse gas emission reductions and energy efficiency criteria with which agricultural and forestry biomass-to-energy facilities are required to comply in order to receive tax incentives and public aid.

1. Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018.

The Group already requires its suppliers to meet stringent sustainability requirements regarding their wood pellet imports, even before the RED II directive comes into effect (see additional information in Section 1.7.3.3 on pages 64 et seq. of this Universal Registration Document).

On 14 July 2021, the European Commission adopted a set of proposals aimed at adapting the European Union's climate, energy, land use, transport and tax policies to enable the EU to reduce its net greenhouse gas emissions by at least 55% by 2030, relative to 1990 levels. It is in this context that a revised version of the RED II directive has been proposed, in which the possibility of tightening up certain criteria discussed earlier is submitted for public approval. Among other things, this planned revision envisages requiring small overseas facilities cut off from continental power generation – such as Albioma's Reunion Island and Guadeloupe plants – to meet structurally unattainable greenhouse gas emission reduction levels once converted. This detail makes the energy efficiency of the thermal power plants structurally lower than in continental Europe, because their operation must be modulated to adjust production to demand variations and ensure a balance and stable grid power as well as smaller facilities than on the continent. The higher-than-average temperatures found in these tropical regions also reduce the efficiency of their thermodynamic production cycles. Furthermore, the Group's facilities in these regions are essential to ensuring grid security. Note: converting the Albioma Bois-Rouge thermal power plant to 100% biomass operation, which alone represents 20% of electricity production on Reunion Island, will increase the proportion of renewable energies in the island's energy mix from 35 to 51%. Consequently, the Group remains careful to ensure that the special nature of the overseas departments and regions is catered for, as was already the case in the negotiations relating to the RED II directive. As a result, it maintains a regular dialogue with the public authorities in France and Europe to discuss this directive's potential impact in preparation for it eliminating coal in its energy mix in Overseas France. The Group also makes use of "relays" including SER, France's umbrella renewable energy industry organisation, and Bioenergy Europe covering Europe as a whole to make its voice heard.

For its part, the European Taxonomy for sustainable finance has, in its delegated act (EU) 2021/2139 adopted on 4 June

2021, recognised the renewable nature of electricity production from biofuels, such as electricity production from PV solar power and geothermal power (see additional information in Section 1.7.2.2 on page 85 of this Universal Registration Document). However, the special nature of electricity production in Overseas France, mentioned earlier and highlighted when the RED II directive was negotiated, was not taken into account in the criteria for the climate change adaptation and mitigation measures. Although the European Taxonomy does not directly affect its Thermal business, the Group considers that the text has a substantial influence on the financing of biomass-to-energy projects, particularly in regions in which there is already little financing available.

1.7.3.2. ...to develop a low-carbon economy

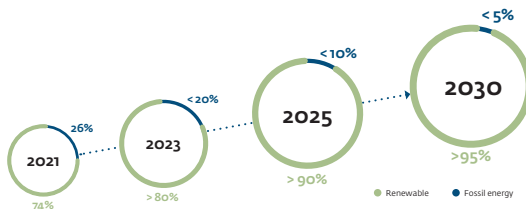
Strategy helping the regions achieve their energy transition

In the 2010s, the Group took a bold turn by driving a new strategy aimed at directing its development and investment efforts towards renewable energy projects. The renewable energy adventure actually began in the 1990s, with the opening of the world's first hybrid bagasse/coal cogeneration plant on Reunion Island, which innovates by recovering energy from bagasse, a sugar cane by-product. Since then, investment in biomass has accelerated and several other plants are opening in France's overseas territories. This longstanding Albioma expertise is now internationally recognised, with the deployment and operation of the original model in Brazil since 2014 as proof. The Group's ambition to foster the energy transition has also resulted in the development of solar power facilities in Overseas France, where Albioma leads the industry, and Metropolitan France. Lastly, in 2021, Albioma entered the geothermal sector, its third renewable energy business.

This transformation has enabled Albioma to increase the proportion of renewable energy in its total production mix to 74% in 2021. This significant increase over previous years is mainly due to the first full year of operation of Albioma Le Moule's unit 3 following its conversion to 100% biomass operation, excellent performance by the Group's plants in Brazil and a sizeable contribution by its first geothermal power plant in Turkey.

	2021	2020	2019
Renewable energy as a share of total production	73.7%	68.1%	66.5%

More generally, this transformation is intended to ensure that the Group's model continues to be sustainable in the present context in which the fight against climate change involves us all. Albioma applies all its expertise and innovative abilities to meeting this challenge and has set itself ambitious goals, including increasing the proportion of renewables in the Group's production mix to over 90% and eliminating coal use in its Overseas France plants by 2025.



The Group's successful issue of its first Sustainability-Linked Euro PP in December 2020 has underlined its strategic commitment to the energy transition by linking some of the financial aspects of this financing, which amounts to €100 million, to achieving its target proportion of renewable energy production in its total production mix.

Strategic objectives consistent with reducing the Group's greenhouse gas emissions

Each year, the growing proportion of renewables in Albioma's total energy mix further reduces its direct greenhouse gas emissions (or Scope 1 emissions), which represent the majority of its emissions. The Group's first full carbon footprint, produced for the reference year 2018 and drawn up in respect of all its fully-consolidated companies, provides evidence of this fact.

In thousands of tonnes CO ₂ equivalent	2018
Scope 1 emissions	2,041
Scope 2 emissions	2
Scope 3 emissions	298

Its direct greenhouse gas emissions (Scope 1) amounted to 87% of its total emissions and were very largely the result of coal combustion in its Overseas France power plants. Meanwhile, 68% of its indirect (Scope 3) emissions were the result of mining the coal and transporting it to and on these islands.

Since then, its direct greenhouse gas emissions have continued to drop. The Group's carbon intensity has been reduced by 56% since 2013, in a context of growing economic performance by Albioma.

In thousands of tonnes CO ₂ equivalent	2021	2020 ²	2019
Direct greenhouse gas emissions	1,712	1,904	2,004
of which carbon dioxide (CO ₂) emissions	1,679	1,870	1,971
of which nitrous oxide (N ₂ O) emissions	24	24	22
of which methane (CH ₄) emissions	9	10	11

KEY PERFORMANCE INDICATOR	2021	2020 ²	2019
In equivalent grams CO ₂ /kWh			
Greenhouse gas intensity of energy production ¹	321	370	384

1. From direct greenhouse gas emissions.
2. The 2020 data has been adjusted.

In 2021, most of the direct greenhouse gas emissions were still the result of burning coal in the Overseas France power plants that have not yet been converted to 100% biomass operation. Please note that these emissions are measured and checked by an external body before they are reported to the French authorities, in accordance with the European¹ regulation relating to the monitoring and reporting of greenhouse gas emissions and with the regulations relating to CO₂ emission allowances. Please also note that this regulation provides that the greenhouse gas emissions produced as a result of sustainable biomass combustion are deemed to be zero.

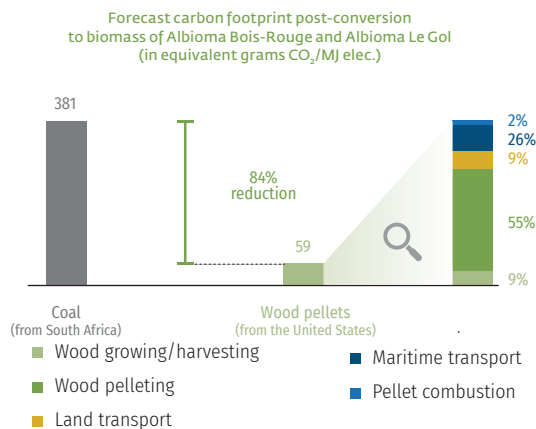
A carbon footprint has been produced for 2021 by extrapolating the Scope 3 emissions in the full carbon footprint relating to 2018. This extrapolation only concerns Scope 3 and is based on the weight of the emissions that are the result of extracting and transporting the coal and wood pellets imported in 2018. These emissions were calculated for 2021 based on the exact origin of the fuels and the means of land and sea transport used.

In thousands of tonnes CO ₂ equivalent	2021
Scope 1 emissions	1,712
Scope 2 emissions	9
Scope 3 ¹ emissions	321

1. Produced by extrapolating the Scope 3 figures for 2018.

1. Implementing regulation (EU) 2018/2066 of 14 December 2020

In 2018, Albioma asked an external expert to produce a carbon assessment comparing the use of coal with the use of imported wood pellets in the French thermal power plants scheduled for conversion by the end of 2025. This confirmed that abandoning the use of coal at the Albioma Bois-Rouge and Albioma Le Gol plants will reduce greenhouse gas emissions by approximately 1,310,000 tonnes of CO₂ a year, representing an 84% reduction in emissions¹ compared with the plant's current operation, even considering the carbon footprint of the entire supply chain including the shipping of the wood pellets from the United States to Reunion Island.



This is because, unlike coal combustion which releases CO₂ buried for millions of years, wood combustion emits CO₂ that has been, and will be, recaptured by growing trees. As this carbon is captured at the speed at which the trees grow, a zero carbon debt can only be guaranteed if the CO₂ emissions caused by land use, land-use change, and forestry (LULUCF) are offset by absorbing an equivalent amount of CO₂ present in the atmosphere. This result can be achieved through the sustainable procurement of biomass fuel (see additional information in Section 1.7.3.3 on pages 64 et seq. of this Universal Registration Document).

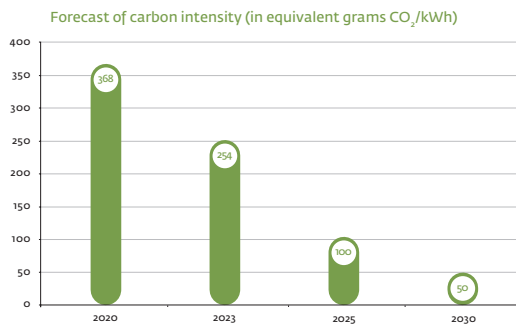
Complementing these strategic advances made to help combat climate change, some of our subsidiaries act at their level, by signing an agreement to purchase green electricity for the offices of our solar power subsidiary in Metropolitan France for example, or our solar power subsidiary on Reunion Island replacing its fleet of internal combustion vehicles with electric ones and constructing a solar recharging station with

sunshade-mounted PV panels and battery power storage in 2021. The Group also supports the development of CO₂ capture, use and storage technologies as a founder member of a European association, CO₂ Value Europe, since 2017.

2030 forecast and strategy compatibility with the 1.5°C trajectory

From 2017 onwards, Albioma has assessed its strategy's compatibility with the overall 2°C goal fixed in COP21 by joining the Assessing low-Carbon Transition (ACT 2.0)² experimental project led by the Carbon Disclosure Project and ADEME. The ACT method is partly based on the work of the Sectoral Decarbonization Approach (SDA) developed by the Science Based Targets (SBT) initiative, which traces the company's desired "2°C trajectory" by adopting a sectoral approach. Following a pilot phase carried out with large corporations to validate the suitability of the approach, Albioma participated in the second phase of the project, in which the methodology was tested on around thirty SMEs; the results have confirmed that Albioma's strategy is compatible with it achieving its low-carbon transition by 2023.

The forecast of the main greenhouse gas emissions items was updated at the beginning of 2022 based on the development path of the energy mix for that time frame, confirming the following carbon intensity objectives.



According to the study that Albioma asked an external firm of experts to produce, this forecast of the main greenhouse gas emission items is consistent with the goals of the Paris Agreement on climate change, consisting of limiting global warming to 1.5°C above pre-industrial levels.

1. Extract from the carbon assessment report produced by Deloitte (July 2018), in accordance with the principles laid down by the RED II directive.
 2. French testing on SMEs.

Climate risks and opportunities

For its climate risk analysis, Albioma has chosen to adopt the TCFD framework, which distinguishes between the transition risks and physical risks associated with climate change.

The transition risks, the most significant of which are associated with changes in French and European public energy policy, are described in Section 1.7.3.1 on pages 59 *et seq.* of this Universal Registration Document.

In the case of the physical risks, the Group is aware of the risks that it currently faces given the nature of its business activities – closely linked with biomass and sunshine resources – and their facilities (see additional information in Section 1.6.1.2 on page 33 of this Universal Registration Document). In 2021, it asked an external firm of experts to complete the physical risk analysis of the Group's business activities by including the climate change forecasts for 2030 and 2050, based on the scenarios of the Intergovernmental Panel on Climate Change (IPCC) (RCPs 4.5 and 8.5).

Risk category	Description	Potential impacts
Risks associated with chronic events	Rising sea level	Damage to equipment and facilities located at the coast
	Higher average temperatures	Faster equipment ageing
	Wet/dry cycle changes	Lower sugar cane bagasse efficiency; lower thermal power plant production associated with a limited water supply
	Change in sunshine rates	Lower power production from solar panels
Risks associated with extreme events	More heat waves	Overheating of electrical and electronic equipment; damage to fuels
	Increased episodes of intense rain and flooding	Damage to equipment
	Extreme events and storms	Limited fuel supply; damage to equipment and facilities located at the coast

As well as taking these events into account when designing, building and operating these units, the mechanisms already in place for controlling these risks in the Group address the natural disaster risk in operating contracts and, when applicable, include insurance cover. In the case of more general exposure to the risks associated with the effects of climate change, Albioma studies each new project's vulnerability to the risks caused by climate change, in accordance with the French regulations applying to new projects involving environmentally-classified facilities (ICPE) since the environmental licensing process reform effective from 1 March 2017 (see additional information in Section 1.6.1.2 on page 33 of this Universal Registration Document). In addition, an adaptation plan is to be defined for existing plants and the high-priority risks confronting them.

Governance

As combating climate change forms an integral part of Group strategy, Albioma's entire Board of Directors holds responsibilities relating to climate and draws on the work of the Corporate Social Responsibility Committee that reports to it (see additional information in Section 2.3.3.1 on pages 119 *et seq.* of this Universal Registration Document).

This Committee is tasked with evaluating the Group's corporate social responsibility strategy and policy, monitoring the programmes implemented and the priority actions taken in this respect and reviewing the results, examining the Group's main social and environmental risks and opportunities with respect to issues inherent to its strategy and activities, examining the Group's non-financial performance and reviewing the information published by the Group in this respect, and lastly monitoring the application of the ethics rules defined by the Group.

To be more exact, the committee is consulted on all strategic questions related to the implementation of the Group's environmental policy on climate matters prior to decisions by the Board of Directors.

General Management implements the strategy defined in conjunction with the Board of Directors and, in this regard, is responsible for the low-carbon strategy implemented by Albioma. Furthermore, doing so is one of the eight commitments in the Group's CSR roadmap for 2018-2023 and is specifically intended to support the energy transition and thereby reduce the Group's carbon footprint. The priorities corresponding to this environmental protection issue are fixed and announced to the Directors each year. As the

CSR and Environment Department is responsible for managing and measuring non-financial performance, it coordinates the identification and analysis of business-related risks, including those related to climate change. It is also responsible for tracking progress by evaluating the Group's carbon footprint and studying the physical risks associated with climate change. It regularly shares its work with the Executive Committee.

1.7.3.3. ...putting into practice the principles of the circular economy

The partnership that Albioma built up with the sugar cane industry more than 25 years ago is a source of perpetual innovation. In 2019, the Group commissioned the world's first turbine to partly run on bioethanol, Albioma Saint-Pierre on Reunion Island. This bioethanol is produced by a local distillery, using molasses from the sugar cane grown on the island. As the rum industry is governed by production quotas, the Group's recent opening of its facility on Reunion Island offers a new opening for bioethanol surpluses, with no conflict of use, accelerating the energy transition on the island.

Energy production from different biomass sources

Gradually stopping coal use so that 90% of Albioma's energy mix consists of renewables by 2025 will primarily be achieved by making use of local sources of biomass and, secondarily, by importing wood pellets from abroad to Reunion Island, Guadeloupe and Martinique.

Prioritising the use of local biomass waste with no conflicting uses

Sugar cane, the main agricultural resource in Overseas France, is a plant highly suited to tropical climates because of its resistance to weather variations. It helps to prevent ground erosion and adds to the beauty of the landscape, thereby contributing to the tourism industry. The sugar cane harvest in these overseas regions lasts for around six months a year and its transformation into sugar produces large quantities of production waste called bagasse. Its benefits include use as a local renewable fuel for feeding electricity to the power grid and steam to the adjoining sugar refinery, whereas even a small proportion meets the total needs for feeding livestock, in accordance with its hierarchy of uses.

Used wooden pallets, composting waste or else packaging wood are ultimately added to the bagasse in the Group's thermal plants in Overseas France. Its facilities are a driver for the regions in combating plant waste landfill in favour of a circular economy. They also dynamise the forestry industry

by offering local openings for sawmills and forestry operators and, ultimately, providing support for developing local jobs in the biomass collection, transformation or transport sectors. Developing these local biomass mobilisation industries can have other environmental virtues, such as developing the agroforestry sector. The trimming of hedges planted on the border of agricultural plots has already been tested successfully in the past, both in terms of the technical arrangements and for compliance with the environmental obligations resulting from the French regulations applicable to environmentally-classified facilities (ICPE). Albioma also wants to work alongside the French National Forestry Office (ONF) as part of its forestry protection and maintenance mission. The island environments are particularly concerned by the proliferation of invasive species, affecting biodiversity. Converting the facilities provides an energy outlet while also fighting the proliferation of these species. This is why the French National Forestry Office and the Group have been working together since 2019 to consolidate a local forestry biomass industry that will protect the natural dynamic of the forests. At the end of 2021, a trial campaign organised with the assistance of the French National Forestry Office and the National Park of Reunion Island has recovered energy from slightly more than 50 metric tons of unrecoverable invasive species in one of the power plants on Reunion Island.

Note that, in Overseas France as in Metropolitan France, a regional planning mechanism called the regional biomass scheme provides a framework for the use of biomass to produce energy. It defines the orientations and actions to implement to foster the development of industries producing and recovering biomass that can be used to produce energy, ensuring that they respect the multifunctionality of natural areas, including agricultural and forest areas. In particular, it ensures that the proper equilibrium and application of the different uses for biomass are achieved in order to optimise the resource's use in combating climate change.

Biomass imports bound by traceability and sustainability obligations

As part of the conversion of its bagasse/coal power plants to 100% biomass operation, Albioma plans to import wood waste in the form of pellets, complementing the procurement sources mentioned earlier. Pellets were chosen due to quality constraints and minimise, or even virtually eliminate, the risk of introducing illnesses, harmful insects and other living organisms through the pellet preparation process (notably, drying). The other advantage of this type of fuel is that the density of these pellets can limit the carbon emissions caused by land and sea transport.

The Group is naturally aware of the risks associated with this procurement, resulting from the use of illegal wood in these pellets, or environmental issues if any of the suppliers are accused of harming biodiversity and soil conservation or even contributing to deforestation, or social issues if the local authorities accuse any of the suppliers of taking over some of all of their land.

Faced with these risks, which it takes very seriously, Albioma has committed to importing biomass guaranteed legal and sustainable. In order to do so, the Procurement and ERC Relations Department (reporting to the Industrial Department) and the CSR and Environment Department have worked together to develop internal procedures and formalise contractual requirements for suppliers in order to control the risks.

To be more precise, the risk of importing illegal wood is addressed using a reasonable diligence system set up in accordance with the current obligations of the European Union's Wood Regulation. Its objective is to ensure that the wood has been exploited in accordance with the legal regulations of the country of exploitation, including environmental, labour or tax ones. For this reason, the Group has a traceability system that covers the entire procurement system, from the collection of wood waste to its unloading in the ports, through the pelletising plant and the shipping port. This system has been in operation since Albioma commissioned the first plant – Galion in Martinique – in 2018, using imported biomass. It has been extended to the Albioma Le Moule plant in Guadeloupe since one of its facilities was converted to biomass operation at the end of 2020.

The Group also already requires its suppliers to meet sustainability requirements, stated in its supply agreements, that are more stringent than the regulations scheduled to come into force in 2022. These requirements include ensuring that high conservation value forests are preserved, carbon stocks are preserved, the impact upon soils and biodiversity is minimised, the forest's production capacity is maintained and the forest remains a forest after cutting. To check this, the suppliers and the material must be certified according to the FSC, PEFC and SBP systems, which guarantee that the requirements are respected as far as upstream of the production chain, with traceability checked by approved independent bodies.

These checks are listed in a procedure and concern three levels:

- checks regarding the supplier, by collecting information on the company, its plants, details of its procurement chains, valid certificates, etc.;

- checks regarding each value chain, based on an analysis of risks involving several geographical scales: country, region, specific steps in processes from the procurement basin to the pelletising plant, including land and sea transport;
- a check whenever the pellets are loaded onto a ship, by collecting the shipping and billing documents.

At each level, the Procurement and ERC Relations Department (reporting to the Industrial Department) and the CSR and Environment Department check the transparency of the information, the wood's origin, the legality of the types of wood, the validity of the certificates and the means of transport used. In addition, the procedure adopted by Albioma includes an assessment of the risk of protected species being delivered by biomass suppliers.

The suppliers are also required to supply the Group's entities with pellets whose carbon footprint is capped by a maximum CO₂ emissions limit. An external audit body checks their compliance with this constraint as part of the SBP certification process.

Lastly, the Group is preparing for the RED II directive to come into effect in French law and so in June 2021, it obtained the same certifications for its two subsidiaries as it requires its suppliers to have (FSC, PEFC and SBP). These certifications cover the traceability chain and, more generally, compliance with environmental, labour relations and social requirements.

In 2021, Albioma Galion and Albioma Le Moule imported a little more than 300,000 tonnes of wood pellets, 81% of which came from the south-east basin of the United States and 19% from Canada. These pellets are produced from sawmill waste, forestry waste, "degraded" round timber that cannot be used as lumber, and wood resulting from forest thinning. The entire procurement value chain for all purchased wood was covered by an SBP, FSC and/or PEFC certification system (chain of custody), from the procurement basin through to unloading for the Albioma plant.

	KEY PERFORMANCE INDICATOR		
	2021	2020	2019
Share of wood pellets guaranteed legal and sustainable imported into Overseas France ¹	100%	100%	100%

1. Scope: Thermal Biomass France.

1. Species listed in Appendices I and II of the Convention on International Trade in Endangered Species of Wild Fauna and Flora, and species on the International Union for Conservation of Nature's "Red List".

At the end of 2021, Albioma acquired a wood pellet production plant in Canada. The plant's location in Quebec province is ideal for supplying our plants in the French Caribbean, and it produces SBP-certified pellets from wood waste or low-grade wood from forests whose sustainable and virtuous management is certified FSC or SFI (PEFC) compliant. This acquisition will enable Albioma to diversify its sustainable biomass supply sources, supplementing the portfolio of contracts developed with leading international suppliers.

Processing and recovery of combustion by-products

The by-products of biomass and coal combustion consist of waste in the form of ash and slag. These form the main part of the solid waste produced by the Group's Thermal business, amounting to nearly 323,000 tonnes produced in 2021. These quantities increased by 11%, mainly as a result of new flue gas treatment systems being commissioned in France (see additional information in Section 1.7.3.4 on pages 67 *et seq.* of this Universal Registration Document). An organisation has been set up specifically so that this waste can be analysed in detail with the help of personnel recruited in the region and in head office, overseen by the Industrial Department and the CSR and Environment Department.

As part of its environmental policy, the Group is particularly careful to limit the environmental impact of the by-products it disposes of by complying with the applicable regulations. However, disposing of the by-products via suitable local industries may be difficult in France's overseas departments and regions as these are islands, thereby limiting the possibilities, particularly if these by-products are disposed of by landfill.

In line with its commitments, the Group wants to recover a larger proportion of these by-products. In 2021, Albioma has already recovered more than 130,000 tonnes of ash by spreading it on the fields. This practice improves the physicochemical properties of the soil and provides essential elements to spur crop growth. In France, the agronomic usefulness of bagasse ash and its harmlessness have been approved by the National Health and Food Safety Agency (*Agence Nationale de Sécurité Sanitaire et de l'Alimentation* – ANSSA) since 2015. Complementing this recognition, spreading trials were carried out in 2021 with a mixture of bagasse ashes and sugar lime produced by our neighbouring partner sugar refinery. These field trials have confirmed the usefulness of the mixture, as the results show a 30% increase in sugar cane growing efficiency while also replacing synthetic fertilisers. In Brazil too, the ash is recovered by spreading it on agricultural land.

In total, 44% of the by-products were recovered in 2021, a stable result despite the increase in combustion by-product volumes. This positive change is possible thanks to Albioma's constant search for energy recovery solutions, like reusing the by-products produced by the new flue gas treatment systems in the industrial land remediation sector. In addition, the small proportion of sulphogypsum produced by flue gas desulphurisation is also recovered locally in the industrial cement production process.

KEY PERFORMANCE INDICATOR			
	2021	2020	2019
Share of combustion by-products recovered	44%	44%	42%

The bagasse/coal-to-biomass conversion programme implemented at the Group's bagasse/coal plants in Overseas France is even more relevant in terms of managing its waste, as it will substantially reduce the production of these by-products, nearly 65% of which are generated by its power plants in French overseas departments and regions. This reduction in volumes of waste, which will begin in 2023 when Albioma Bois-Rouge is converted, is explained by the quality of the fuels chosen to replace coal in the plants.

Albioma is working on further possibilities for recovering the combustion by-products of 100% biomass facilities, in addition to agricultural use. For this reason, the Albioma Galion plant on Martinique is serving as a pilot site, as the model planned for use at existing facilities following their conversion is already in operation there. Albioma has been committing financial resources to developing ways to reuse its bagasse and coal by-products since 2015, and 2020 has marked a new phase with the launch of a three-year thesis directed towards the recovery of wood combustion by-products by a specialist partner in the construction materials industry.

Recycling of worn photovoltaic panels

The Group's concern with transforming waste into a resource also extends to its Solar Power business in Overseas France and Metropolitan France. The PV panel recycling industry is governed by the European Directive on waste electrical and electronic equipment and managed by Soren (formerly, PV Cycle), the eco-organisation approved by the French public authorities. In 2021, Albioma's Solar Power business generated 21 tonnes of PV waste, mainly consisting of worn panels that are all sent to the recycling industry. According to the eco-organisation, 94% of a silicon-crystal-based PV

module can be recycled on average, and this is done in a plant in Rousset in Southern France (Bouches-du-Rhône). This recycling plant processes silicon panel models, which represent 90% of the market and most solar panels used by Albioma.

The Group's warehouses also serve as voluntary drop-off points for worn privately-owned panels. This is a voluntary process, under a special partnership agreement with Soren.

Optimised use of water resources

The Group's facilities consumed 8.3 million cubic metres of water in 2021, almost all of which must be allocated to the Thermal plants in France and Brazil. Nearly 80% of this was used to cool these thermal power plants. This consumption varies depending on the call-in rate of the plants; the worse the rate, the more intense the water consumption too. The sugar cane harvest also affects water consumption, as the longer it extends into the year, the lower the cooling requirements. This is because part of the steam is sent to the sugar refinery during the sugar cane harvest period and comes back cooled, thereby reducing water consumption in the cooling systems.

In this context, Albioma works hard to adapt its water management on a case-by-case basis, to suit the regions in which its facilities are located. Reducing water extraction from the natural environment is among the priorities of the CSR roadmap for the Group's plants in Overseas France, which have some of highest water consumption levels in the Group. In comparison, its Brazilian plants have a less intense water consumption because the harvest lasts most of the year. Our goal is to develop an economical and reasonable approach to water resource use. For this reason, several sites have implemented areas for improvement, like the reuse of waste treated when it leaves the internal water treatment plant. The proportion of the water that is reused can be up to 30% of the total volume of water extracted in the natural environment. In 2021, the Industrial Department began studies to assess the technical and economic aspects of improvement opportunities for the three historic power plants that consume the most water.

The Group also includes water optimisation and reuse strategies when designing its new production facilities. As a result, the Group's most recent thermal power plants consume less water as a result of a more economical design and dry cooling towers that use ambient air rather than water to condense the steam in the boilers.

1.7.3.4. ...by protecting the environment and biodiversity

Environmental policy and resources allocated to environmental risk prevention and anti-pollution measures

Albioma's environmental policy forms an integral part of the Group's CSR roadmap 2018–2023. The priorities corresponding to this environmental protection issue are fixed and announced to the Directors each year. At the Group level, they are the responsibility of the CSR and Environment Department, which works with the Industrial Department on the deployment of the action plans. The Corporate Social Responsibility Committee, which reports to the Company's Board of Directors, is consulted regarding all strategic matters relating to implementation of the Group's environmental policy, ahead of deliberations by the Board of Directors on such matters (see additional information in Section 2.3.3.1 on pages 119 *et seq.* of this Universal Registration Document).

Group subsidiaries have responsibility for addressing environmental issues in the field. Each is responsible for identifying and reducing its own environmental impacts as well as deploying the policy locally by means of a dedicated system handling Quality, Safety and Environment matters (see additional information in Section 1.7.4.1 on pages 74 *et seq.* of this Universal Registration Document). The Group's goal is also to deploy a policy of site certification. Note: its entire Solar Power business, as well as the Albioma Bois-Rouge and Albioma Le Gol thermal power plants on Reunion Island, have already obtained triple ISO 9001, 14001 and 45001 certification, representing 51% of its consolidated revenue as at 31 December 2021. The Albioma Le Moule and Albioma Galion plants also aim to obtain ISO 14001 certification in 2022.

Each of the production facilities allocates a portion of its resources to preventing environmental risks and reducing pollution and related environmental impacts. As at 31 December 2021, this amounts to nearly €27 million, including all environmental expenditure and investment relating to the facilities. This amount excludes all investments made to convert its bagasse/coal facilities to 100% biomass operation. In 2020, it amounted to €141 million, most of which was spent on finalising the programme to ensure that the thermal power plants do not exceed the maximum atmospheric emissions values fixed by the IED directive¹.

¹ Industrial Emissions Directive 2010/75/EU of 24 November 2010.

Albioma is required to provide financial guarantees under the terms of the regulations applicable to environmentally-classified facilities (ICPE) and in accordance with the Order of 31 May 2012, which stipulates the list of classified facilities subject to the obligation to provide financial guarantees in application of Point (5°) of Section R. 516--1 of the Environmental Code. The total cost of safely decommissioning Group facilities is currently assessed to be €1,269,920. As at 31 December 2021, the Group had provided financial guarantees representing 94% of the estimated cost.

Prevention of environmental damage and personal injuries

Operating electricity generation facilities involves an industrial accident risk. The Group is particularly exposed to a fire risk because it uses and stores fuels as well as other inflammable substances in its Thermal Biomass business, and because power surges or short-circuits can occur at photovoltaic facilities. Albioma is also exposed to an explosion risk at the facilities of its Thermal Biomass business, due to its use of pressurised equipment and the presence of explosive atmospheres associated with the storage of certain fuels. Accidental environmental spillages can also occur as a result of the risks described earlier but equally from the handling of chemical products (used as reagents when treating gaseous and aqueous waste) and hydrocarbons (in the case of the fuel oil used for the combustion turbines). Such risks can result in a temporary outage or extended shutdown of production facilities or even the partial or total destruction of a plant, and have serious consequences for employees, local residents, the Group's assets and the environment.

To limit the risk and consequences of an accident occurring, the Group's industrial facilities are subject to specific regulations and undergo regular inspections. Upholding the law and complying with the applicable regulations are at the forefront of the principles set down by the Group. The CSR and Environment Department and the Human Resources Department assist the operating teams on these subjects; these teams are organised accordingly to ensure legal and regulatory compliance (see additional information in Section 1.7.4. on pages 74 *et seq.* of this Universal Registration Document). The organisational changes made in the Industrial Department in 2020 are another element of this logic of increased cooperation with the facilities (see additional information in Section 1.7.2.1 on pages 51 *et seq.* of this Universal Registration Document). The fact that the Safety Department reports to the Industrial Department, for

example, clearly indicates the Group's desire to make safety a central aspect of its operating and maintenance work. A review of the existing operating procedures and maintenance plans began accordingly in 2020 and continued in 2021. It also set up a common method for assessing operational and maintenance risks with the aim of assessing the criticality of operational risks in order to prioritise them better.

Since 2018, the Safety Master Plan deployed on the basis of the commitments recorded in the CSR roadmap 2018-2023 fixes annual risk prevention goals. It includes the systematic reporting of technical incidents. A paperless incident tracking project was approved for this at the end of 2021. In the preface to the Group's ten golden health and safety rules, the Chairman and CEO of Albioma reminds employees of the need to develop an awareness and appreciation of the risks in order to prevent accidents. These golden rules not only concern all employees working in head office and the subsidiaries, but also apply to all subcontractors and visitors entering Group sites.

Lastly, the Group set up a concerted risk management approach with its insurers several years ago, not only for the operation of its existing sites, but also for the development of new projects. The recommendations made by the insurers in their annual field inspections and approved by the Group's technical experts are recorded in a contractual risk prevention plan. The Industrial Department follows up this plan at the central level. In 2021, its progress amounted to 74% for the Group's Thermal Biomass business in Overseas France. Actions requiring a plant shutdown can only be carried out by scheduling technical shutdowns that, given the importance of the facilities in feeding the electricity grids of French overseas departments and regions, can only take place once a year and last for a maximum of a few weeks (excluding major maintenance shutdowns).

KEY PERFORMANCE INDICATOR			
	2021	2020	2019
Annual contractual risk prevention plan progress ¹	74%	63%	-

1. Scope: Thermal Biomass France.

The occupational health and safety management systems are levers for improving the onsite integration of a structured and unified industrial risk management system. In 2020, the Group's certified entities successfully passed from the ILO-OSH 2001 standard to the ISO 45001 standard for the management of health and safety in the workplace. The management system deployment dynamic within the Group must help it to extend this culture to its other sites.

Reduction of airborne waste

The combustion-based industrial electricity generation process produces airborne emissions in the form of greenhouse gases and air pollutants, most of which consist of sulphur oxides, nitrogen oxides, carbon monoxide and dust. For this reason, Thermal Biomass business subsidiaries are exposed to the risk of being criticised by the local populations for harming their health and their quality of life and contributing to the risk of air pollution.

All of the Group's thermal facilities are governed by national regulations requiring them to comply with maximum waste levels. Assessing the exposure of its employees and outsourcers as well as local populations is also part of the regulatory obligations governing its French facilities. For this reason, regular checks are implemented to confirm that it complies with these obligations. Under its CSR roadmap 2018–2023, Albioma has committed to allocating a portion of its resources to preventing environmental risks and reducing pollution and related environmental impacts. Since 2016, the Group has invested a total of around €250 million in a major programme to refurbish its flue gas treatment systems, principally with the aim of reducing its airborne emissions. This programme concerns the Group's facilities with the highest emissions until now: Albioma Bois-Rouge and Albioma Le Gol on Reunion Island, and Albioma Le Moule in Guadeloupe. The new equipment commissioned at these sites has significantly reduced the air pollutant levels between 2019 and 2020. The relative stability of the last two years are firstly due to the Overseas France plants' less favourable call priority context in 2021 than in 2020, given the unprecedented context of soaring coal and CO₂ prices in Europe that penalise flue gas treatment system performance. Its second cause is the increase in production from the Group's power plants in Brazil, associated with the drought that affected hydroelectric power production there.

In tonnes	2021	2020 ²	2019
Sulphur dioxide (SO _x) emissions ¹	1,990	2,138	3,005
Nitrous oxide (NO _x) emissions	2,534	2,142	3,556
Carbon monoxide (CO) emissions ¹	991	835	628
Particulate emissions	1,053	789	448

1. Scope: Thermal Biomass France.

2. The 2020 data has been adjusted.

KEY PERFORMANCE INDICATOR

	2021	2020 ²	2019
Reduction in air pollutant intensity ¹	(62%)	(62%)	(51%)

1. Scope: Thermal Biomass France, reference year 2016.

2. The 2020 data has been adjusted.

The programme to convert the existing bagasse/coal-fired power plants for 100% biomass operation ultimately represents an opportunity as, unlike coal, biomass contains very little sulphur. Furthermore, this programme also includes investment to limit the fugitive dust that can be released when biomass fuels are handled.

The Industrial Department and the CSR and Environment Department are informed of the performance of the flue gas treatment equipment at all of the Group's French thermal power plants. These reviews, carried out during Global Performance Committee meetings, were set up in 2019 and continued in 2020 and 2021 on an almost quarterly basis. These Committee meetings also provide an opportunity to assess the efficiency of the plants, representing another lever for reducing the air pollutant levels. Improving cogeneration efficiency and reducing the steam consumption of sugar refineries are two essential elements of the operational performance expertise that Albioma showed when it exported its operating model to its Brazilian plants in 2014. Albioma's acquisition of the three units currently in operation there has doubled their average electricity exports per tonne of milled sugar cane. The Group mostly operates self-consumption thermal power plants, providing an opportunity to control their overall energy efficiency. Electricity is therefore only purchased from the grid during plant start-up phases in normal operation. This represents 7.4% of total energy consumption in 2021.

Controlling other environmental protection risks

Releases into water and the soil

All Thermal Biomass facilities have onsite aqueous waste treatment systems, and the Group has committed to complying with the waste-related standards applicable under the national legislation of the country in which the plant is located. In Brazil, the sugar refinery manages the waste from both the sugar refining process and the combustion unit operated by Albioma. 1.8 million cubic metres were discharged into the natural environment in 2021, compared with the 8.3 million cubic metres of water consumed. The difference between these two quantities is explained by evaporation, as most of the water is needed for cooling purposes. The Solar Power business, on the other hand, does not consume any water in operating the facilities.

Albioma takes care to minimise the infiltration of its waste into the ground, by setting up regularly-inspected retention systems, waste drainage networks across the sites and even, in some cases, waterproofing the land under its control. In addition, some ground-based solar power facilities have

signed a partnership with local livestock farmers in order to reduce weedkiller use. Sheep and goats are then responsible for maintaining the land there, such as the solar power plant in Kourou in French Guiana.

In 2021, no Group businesses were involved in the accidental discharge of waste into water bodies or the ground, which would result in a major pollution incident in the natural environment.

Consideration for noise pollution

The prefectural orders applicable to the Group's thermal plants provide for regular measurements of noise emissions from facilities. Measurement campaigns are therefore carried out and, where appropriate, their results are used as inputs for environmental action plans. As part of its projects currently under development, Albioma is conducting impact studies to identify the nuisance risks associated with the sites and their future operation in order to provide for pre-emptive corrective measures.

Land use

Land use is a focus of particular attention for Albioma's ground-mounted photovoltaic activities. During the design process for its photovoltaic power plants, the Group researches solutions to avoid encroaching onto farming land wherever possible, and where applicable, reduce or offset any impact on agricultural activities.

Solutions to develop sheep farms on grazing land occupied by photovoltaic panel arrays have thus been implemented. Albioma has also begun operating a photovoltaic plant on restored land over a former landfill site on Reunion Island.

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

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

Management of industrial waste

Albioma's Thermal Biomass and Solar Power businesses generate industrial waste other than combustion by-products and worn photovoltaic panels. In 2021, this waste amounted to around 6,500 tonnes, 12% of which is hazardous. It is managed by duly authorised industries, which recycle it whenever possible. In 2021, 19% of this waste was sent to recycling facilities, significantly down on previous years due to an exceptional tank clearing operation at the Albioma Le Moule plant in Guadeloupe that increased the Group's waste production by 45% in the year.

Conserving biodiversity

Conserving biodiversity forms an integral part of the CSR roadmap 2018–2023, where it appears as a commitment in its own right. This commitment consists of requiring studies to assess the risks and impacts that new projects represent for biodiversity. These studies sometimes conclude that the facilities must be modified, or even that compensating measures must be set up, factored in and applied. For example, before commissioning the Albioma Saint-Pierre combustion turbine on Reunion Island, an ornithological study was carried out with support from a local specialist, Société d'Études Ornithologiques de La Réunion, to check that there were no breeding and nesting areas of three protected species of bird (the white-tailed tropic-bird, Mascarene swiftlet and Mascarene martin). Preventive measures to mitigate risks to local populations of Barau's petrel – a species endemic to Reunion Island that is attracted by lights at night, but is unable to take off again if forced to land – have been deployed, consisting in installing suitably designed lighting systems.

One of the most material aspects of biodiversity conservation concerns the procurement of biomass fuel and, to be more precise, wood waste from forestry, which Albioma plans to use instead of fossil fuel in its existing bagasse/coal-fired thermal power plants. This is why the first goal stated in the third commitment of the CSR roadmap 2018-2023 relates to the sustainable use of agricultural and forestry resources for fuel. Aware of the risks that unsustainable forestry can represent for the balance of ecosystems, Albioma first took the concrete step of adopting contractual certification requirements (FSC, PEFC and SBP) for all its imported wood pellet suppliers, thereby guaranteeing sustainable forestry management and biodiversity conservation (see additional information in Section 1.7.3.3 on pages 64 *et seq.*

of this Universal Registration Document). Furthermore, these commitments anticipate Albioma's forthcoming compliance with the RED II directive. In Brazil, two of the three plants in which Albioma holds a majority stake (Albioma Codora Energia and Albioma Esplanada Energia) were acquired in partnership with the Jalles Machado group, specialising in manufacturing sugar-cane-based products, and have held the 'Bonsucro' certification since 2018. 'Bonsucro' (the Better sugar cane initiative) was created to accelerate the sustainability of sugar-cane production, and the protection of biodiversity is one of its seven principles.

Furthermore, given the regions in which Albioma operates, including Overseas France which represents 80% of French biodiversity, the second goal stated in the third commitment of the CSR roadmap 2018-2023 relates to the protection of flora and fauna in the regions in which we operate. In this respect, the Group is actively seeking partnerships like the support it provides to the Foundation for Research on Biodiversity via an action club devoted to the French overseas departments and regions between 2018 and 2020. With the additional support of the French Office of Biodiversity, the IUCN and the CNRS, the work of this action club has produced a map of certain anthropic pressures on biodiversity on Reunion Island and in Guadeloupe, Martinique and French Guiana. The Group's actions are also based on partnerships with local associations, such as its partnership with 'CrazyBee' on Reunion Island since 2018, or its partnership with 'SCEA Ô miel' in Guadeloupe since 2019 and extended to Martinique in 2022, in which we innovatively use 'biomonitoring' to monitor our atmospheric emissions by means of bee colonies. In 2020, the Group supported two projects to plant a million trees in Martinique and on Reunion Island, and around fifty Albioma employees on Reunion Island worked on a project to remove invasive exotic species in the Maïdo natural park in 2021. The matter of biodiversity protection also offers opportunities, such as in the Group's project to convert its bagasse/coal-fired power plants to 100% biomass operation. For example, Reunion Island has been fighting invasive exotic species for several years. Converting the power plants to 100% biomass operation will provide an energy outlet for some of these species while also fighting their proliferation.

1.7.3.5. ...by encouraging local development and project acceptability

Purchasing policy and the extent of subcontracting

The Group's purchasing policy is based on a number of principles including fairness, impartiality and ethics, in line with the social and environmental issues. The Group's Code of Ethics, which was adopted in 2019, is intended to be promoted among all our external service providers, which must adhere to our fundamental values (see additional information in Section 1.7.4.2 on pages 75 *et seq.* of this Universal Registration Document). Encouraging and supporting subcontractors' efforts to comply with our safety requirements is one of the six commitments in the Safety Master Plan (see additional information in Section 1.7.2.2 on pages 52 *et seq.* of this Universal Registration Document).

Albioma works with subcontractors when the necessary expertise is not available in-house, and during busy periods due to maintenance shutdowns. The Group uses local subcontractors whenever possible, and supports upskilling initiatives as necessary. In 2021, subcontracting costs and their proportion of operating costs remained relatively stable relative to previous years.

	2021	2020	2019
Subcontracting costs (in thousands of euros) ¹	53,465	46,311	47,705
Subcontracting costs as a percentage of operating costs ¹	10%	12%	12%

1. Scope: France.

Before subcontractors work onsite, including as part of the annual technical shutdowns of thermal power plants, they are required to provide proof that their welfare benefit payments are up to date and they do not abuse the minimum welfare support limit, as well as documents proving that they meet their regulatory obligations relating to the health and safety of their employees. All new suppliers of critical equipment are audited. The Group also conducts routine, generally annual, audits on its main suppliers in its production areas. Certain sites, particularly those with triple ISO certification, also conduct annual assessments of their strategic suppliers, which include health, safety and environmental criteria.

The Group's standard purchasing terms and conditions have included a corporate social responsibility clause stating Albioma's requirements and commitments since 2014. For this reason, the CSR roadmap 2018-2023 provides for strengthening these responsible purchasing practices (see additional information in Section 1.7.4.2 on pages 75 *et seq.* of this Universal Registration Document).

Community, economic and social impact

Albioma is the partner of choice for the agribusiness sector. The Group's business model is based on long-term partnerships with local partners in the sector. These local roots secure thousands of jobs upstream of the Group's businesses, as the sugar cane industry represents around 12,000 jobs on Reunion Island¹, 10,000 jobs in Guadeloupe² and a million jobs in Brazil, not to mention indirect and induced jobs. For example, the bioethanol produced locally for the combustion turbine at Albioma Saint-Pierre is another element of this logic of sustainability, as it is recovered from molasses – a waste product – by a distillery on Reunion Island.

A socio-economic impact study has concluded that, for each person directly employed in operating the Albioma Bois-Rouge and Albioma Le Gol power plants on Reunion Island, 8.7 additional jobs were generated on the island in the 2018 financial year, not to mention jobs in the sugar cane industry and major projects to refurbish the flue gas treatment systems during that year.

Wherever the Group operates, its subsidiaries:

- Create jobs by recovering biomass obtained from co-products and by-products of agribusiness processes;
- Develop their employees' skills while providing fair pay and incentives;
- Generate significant business for the industrial fabric and local service providers;
- Increase the added value of goods and services purchased from suppliers and partners;
- Generate tax revenues for public authorities and income for shareholders and lenders.

To be more precise, more than €9 million were paid to the French regions as tax revenues as at 31 December 2021.

Local purchases

In line with its commitments in the Community pillar of the CSR roadmap, Albioma reports the proportion of local purchases by its Thermal Biomass business in France each year. The term "local purchases" means orders of parts and services provided during the year by partners based in Overseas France. As a result, this value excludes orders placed with partners located in Metropolitan France, as well as those located outside France. As at 31 December 2021, local purchases represented 56% of total purchases.

KEY PERFORMANCE INDICATOR			
	2021	2020	2019
Proportion of local purchases ¹	56%	56%	46%

1. As a percentage of the total purchases of the Thermal Biomass business in France, excluding fuels.

In Brazil, the national limitation on imports by means of customs duties intrinsically helps to optimise local purchases within this scope.

Maintaining this local proportion is an even more important challenge for the years in which the Group is planning large-scale work and construction projects on its French thermal power plants. This finding is explained by the island nature of the various French overseas departments and regions, where it can sometimes be difficult to source advanced industrial equipment or specific expertise locally. However, the Company and its subsidiaries could find themselves being criticised by its external stakeholders for making insufficient use of the local economy, harming the Group's reputation to such an extent that site stoppages result.

To protect itself, the Industrial Department, with the support of the CSR and Environment Department, has worked to develop a plan for maximising the local spin-offs of the investments planned for converting the facilities on Reunion Island in 2021. This plan was developed by capitalising on more than 25 years' knowledge of the local economy. The local proportion should represent at least 40% of the investments envisaged on the basis of several scenarios under consideration. The successful roll-out of such a plan mainly rests on the ability of the internal project teams to urge tier-1 suppliers – which are generally major principals – to make use of local subcontractors, notably by including a list of local companies in agreements or else by putting them into contact far enough in advance of the construction phase. During the construction phase, regular monitoring of the work is planned to ensure that it is completed properly.

1. Source: Reunion Island sugar industry association (Syndicat du Sucre de La Reunion) (August 2018).

2. Source: Prefecture of the Guadeloupe region (May 2018).

When purchasing fuels other than bagasse, Albioma aims to prioritise local biomass procurement industries. This particularly concerns its project to convert its bagasse/coal-fired power plants to 100% biomass operation. A special body has been set up to ensure that these commitments are implemented, for which two heads of procurement were recruited: one has been responsible for the West Indies region since 2017, and the other became responsible for Reunion Island in 2021. They are both responsible for increasing the proportion of local biomass used in the Group's plants that are already biomass-powered or which are soon to be converted. For example, the Albioma Galion power plant in Martinique recovered the energy from nearly 7,000 tonnes of local biomass, supplementing the 12,000 tonnes of sugar refinery bagasse in 2021. Going further, Albioma's involvement has also resulted in it buying a mobile crusher in 2021, a major investment relative to the size of the Group but necessary to dynamise the industry in the West Indies.

Dialogue with partners

Albioma works hard to maintain a quality dialogue with its strategic partners (customers, suppliers, shareholders and investors, supervisory authorities, etc.) and its employees. The Group's organisation, a structure consisting of a matrix of regional Departments supported by functional Departments, provides effective coverage at the national and local levels. By creating a Communication and Institutional Relations division in 2018, the Group has professionalised its actions in this field, adapting them to its target audience and particularly to its employees. Accordingly, it has rolled out a series of tools (intranet, newsletters, etc.) to fluidify the flow of information within the growing Group.

In its CSR roadmap 2018–2023, Albioma has committed to strengthening the dialogue with partners likely to be affected by its industrial activities. The regulations provide for public consultation procedures when applying for a building permit and an operating licence, the terms of which differ depending on the size of the thermal and photovoltaic facility projects concerned. However, the Group is still exposed to the risk of local populations finding projects unacceptable from an environmental point of view (visual impact, industrial risks, etc.) and social standpoint (local employment, energy security, etc.). This risk is particularly significant in the case of the Group's Thermal Biomass business in the French overseas departments and regions, given their insular nature, the Group's energy transition ambitions and, more specifically, the programme to convert the existing bagasse/coal power plants.

Aware of this issue, the Management has a target of setting up the actions necessary to explain its strategic project to the Group's internal and external partners. For this reason, it approved the roll-out of an energy transition communication plan in 2017. The Management of the regions are the first responsible for the Group's projects at the local level and so are involved in the regions, beside the local decision-makers, scientific experts, economic players, etc. at consultative meetings, forums and round-table discussions regarding the energy transition.

Furthermore, the CSR and Environment Department began a special process for this programme in 2019, consisting of mapping all concerns expressed by local partners regarding the conversion of the facilities on Reunion Island and in Guadeloupe, capitalising on the experience gained by the partners when the 100% biomass Albioma Galion power plant was commissioned in Martinique. This process set up a series of actions intended to ensure the continuous improvement of these future projects: mapping the partners and the associated dialogue flows, and producing a plan to maximise local spin-offs from the investments (see additional information in Section 1.7.3.5 on pages 72 of this Universal Registration Document), together with tools (risk analysis, etc.) ensuring that the Management of the different regions and functions – particularly the design and construction supervision teams reporting to the Industrial Department – regularly share the expectations, requirements and questions of the partners.

In 2020, this approach was included in the Albioma Project Management Guide (see additional information in Section 1.7.2.1 on pages 51 *et seq.* of this Universal Registration Document) with the aim of systematically implementing this process in the Group's strategic projects.

Group Management has identified employee awareness and training on sustainable development as a lever needed to ensure that everyone is increasingly aware of this aspect of the dialogue between the partners. The project to convert the bagasse/coal-fired power plants to 100% biomass operation has been seen as an opportunity for the Group's employees to become deeply involved in its commitment to foster the energy transition, including the need to end coal use. In concrete terms, this has resulted in the CSR and Environment Department, alongside the Human Resources Department and the Communication and Institutional Relations division, designing a new type of training in 2021, both in terms of its form and content and the scope of its deployment. The goals consisted of making employees aware of the global challenge of combating climate change, helping them to adopt

the corporate project, giving a meaning to them performing their assignment and supporting them by providing answers to their questions. All this was done via a suitable training programme available to everyone regardless of their seniority and hierarchical level. Called *Conversio* (the Latin word for “conversion”), it was deployed at each of our sites in Metropolitan and Overseas France in the second half of 2021. It is built around an interactive format new to Albioma, blended learning, which stimulates discussion through face-to-face sessions. After watching the digital content, each employee was guided through this programme in several stages:

- The worldwide state of play in the fight against global warming, at the energy industry level: climate-related legislation, multi-year energy plans, Paris Agreements, etc.
- The link with Albioma’s strategy with regard to these issues: to achieve the target of more than 90% of its total energy from renewable sources by 2025 and nearly 100% by 2030;
- The benefits of converting a thermal power plant to 100% biomass operation are as follows: its combustion is integrated into the natural carbon cycle so long as sustainable forestry management is ensured, the framework and procedures are set up with our suppliers to ensure this, and the priority is given to developing local biomass industries in Overseas France;
- The major operational changes to be seen daily as a result of changing fuel, such as the inflation of storage domes and the modification of certain tools inside the plants.

Overall, nearly 500 learners – almost 75% of the Group’s employees – have followed this programme. *Conversio* marks a new stage in the development of skills within the Group and will continue in the coming years.

KEY PERFORMANCE INDICATOR			
	2021	2020	2019
Percentage of employees trained in sustainable development	74,9%	2,8%	Unknown

Lastly, each patronage and sponsorship action supported by Albioma contributes to its dialogue with local partners. Its partnership with the CGénial foundation since 2019 works to promote the sciences in education and provides a way to make trades and professions in the renewables sector more attractive among state education teaching staff and their students. In 2020 and 2021, all discussions were held virtually because of the health crisis.

1.7.4. ETHICS AND COMPLIANCE FOR A RESPONSIBLE ECONOMY

The Group adopted its Code of Ethics in 2019 and distributed it to all its employees in the 2020 financial year. This states a number of non-negotiable rules and values that form the basis for responsible business conduct. Going beyond the principles, the Code of Ethics underlies the Group’s commitment to promoting an exemplary corporate culture.

The Code of Ethics applies to all Group personnel, whether they are employees or corporate officers, in all countries in which the Group operates and in all companies that it controls. It is also intended to be promoted among all of the Group’s external service providers, which must share our most essential values.

1.7.4.1. Compliance with environmental and labour regulations

The Group operates its industrial facilities within a strictly regulated framework, particularly as regards the environment. In France, Albioma’s thermal power plants are governed by the laws and regulations applying to environmentally-classified facilities (ICPE) (see additional information in Section 1.3.3 on pages 11 *et seq.* of this Universal Registration Document). The Group constantly checks that its activities comply with the applicable laws and regulations. However, despite its efforts the Group cannot totally rule out the risk that it may not be able to prove that it complies with certain laws in force. If it is found not to comply with labour or environmental law or regulations, the Group commits to taking the necessary corrective action as quickly as possible without waiting for administrative or penal sanctions, financial or otherwise.

Upholding the law and complying with the applicable regulations are at the forefront of the principles set down in the Group’s Code of Ethics. This preliminary rule also underlies the commitments in the Environment and Workplace pillars of the CSR roadmap 2018–2023. The CSR and Environment Department, Industrial Department and Human Resources Department all report the level of compliance of the Group’s Thermal and Solar Power plants to its highest governance bodies. The bodies examining any cases of non-compliance, along with the corrective actions taken, include the Corporate Social Responsibility Committee, which reports to the Company’s Board of Directors.

For the Thermal Biomass business, each operational site has a Quality, Safety and Environment (QSE) manager and a Human Resources manager, including in Brazil. For the Solar Power business, each region has its own QSE manager. The QSE function is supported by two Environmental and Industrial Risks Engineers, serving the West Indies-French Guiana and Reunion Island regions, respectively. These engineers ensure that plants comply with environmental protection requirements. This organisation makes each Group subsidiary responsible for its own compliance with environmental and workplace regulations.

The CSR and Environment Department and Human Resources Department are central departments that act in support of the operational departments by leading networks of QSE and Human Resources Leads in order to steer and coordinate all actions to be taken. These monthly or quarterly network meetings, which foster the sharing of feedback and best practices and also speed up dialogue, also provide an opportunity for discussing regulatory watch topics.

In the case of the Group's sites with triple ISO 9001, ISO 14001 and ISO 45001 certification, these regulatory watch and compliance monitoring requirements are stated in the QSE policies. The audits conducted by the approved certification bodies are carried out in addition to local authority inspections and checks regarding the environment and health and safety at work. As at 31 December 2021, the Group's entire Solar Power business, as well as the Albioma Bois-Rouge and Albioma Le Gol thermal power plants on Reunion Island, were covered by the environmental and safety management certifications, representing 51% of its consolidated revenue. The Group has a target of exceeding 75% by 2023.

KEY PERFORMANCE INDICATOR			
	2021	2020	2019
Significant fines and indemnities (in euros) and/or non-financial sanctions for legal and regulatory non-compliance	-	-	-
Share of sites certified ISO 14001 and/or ISO 45001 (% of consolidated revenue)	51%	54%	51%

1.7.4.2. Fair practice

The Group's Code of Ethics states the fundamental principles of behaviour for the rules on competition, transparency, combating corruption and influence peddling, preventing conflicts of interest and fighting all forms of fraud, with the aim of protecting the Group's assets and preserving its good image.

Preventing and combating corruption

The Group's growth and its presence in regions felt to suffer from corruption, influence peddling or other connected abuses, means it is exposed to a risk of breaching its ethical commitments. Such breaches could harm its reputation, incur high compliance costs or result in penal or administrative sanctions.

In this context, and in order to comply with the French law of 9 December 2016 relating to transparency, combating corruption and modernising economic life, referred to as the "Sapin 2" law, Albioma began to implement an ethics and compliance programme at the end of 2018, with the ultimate aim of equipping the Group with a set of preventive and control mechanisms for minimising its exposure to acts of corruption and influence peddling. This programme has resulted in the creation of a cross-department Ethics and Compliance function within the Group, supervised by an Ethics and Professional Conduct Lead. The Group's Company Secretary has been given this function.

Ethics and compliance programme

A specific map of the corruption risk has existed since 2020, as stipulated by the Sapin 2 Act. The methodology used is an adaptation of the fraud triangle created by Daniel Cressey and uses three assessment criteria: Pressure, Opportunity and Rationalisation. The Group was assisted by external risk management consultants to ensure a high level of expertise for all areas concerned by this map.

The implementation of the Group's Ethics Charter goes hand-in-hand, in accordance with the provisions of the Sapin 2 Act, with the setting-up of a whistleblower platform, the implementation of which is currently being finalised. In the meantime, an alternative whistleblower platform is available for use by Group employees, who can therefore inform the Ethics and Professional Conduct Lead of any potential or known situation that breaches the Code of Ethics. This outsourced platform was selected in order to protect the anonymity of whistleblower reports and is hosted on highly secure servers certified ISO 27001 compliant, thereby guaranteeing a high level of security. All breaches will be initially reported to the Ethics and Professional Conduct Lead, who will be responsible for processing them, supported by other corporate functions if deemed necessary (including the internal audit function). The use of external experts will be envisaged for any internal inquiry following up a report for which the Group does not have the necessary skills to independently conduct these investigations properly, or when the reported facts require an urgent response or the keeping of proof causes complicated problems, for example.

A training plan on combating corruption is currently being rolled out as a fringe element of the Group's compliance with the measure taken from the Sapin 2 Act. It will cover the executive management, the employees most exposed to the corruption risk (those identified in the corruption risk map) and all other employees (consisting of making them aware of the corruption risk). This training plan will initially be confined to the Group's employees. As at 31 December 2021, 47% of the employees based at head office – 8% of the Group's employees – had already attended a session, organised by the Ethics and Professional Conduct Lead, making them aware of the risk of corruption and influence peddling. Checking that the Code of Ethics is followed will, following its global roll-out, become a task of the Group's Internal Audit function, which already conducts confidential investigations at the Ethics and Professional Conduct Lead's request when whistleblower reports are received.

KEY PERFORMANCE INDICATOR			
	2021	2020	2019
Share of employees having attended at least one awareness session on the risk of corruption and its related risks	8%	9%	-

Combating tax evasion

In conducting their business, the Group and its subsidiaries are concerned by tax procedures. Their exposure to the risk of tax evasion is judged very low given the nature of their energy production activities, which result in transactions mainly performed by the operational entities operating the assets, but also because the vast majority of the business is carried out in France, and lastly, the lack of a legal structure in countries considered tax havens. In this context, Albioma has not found it necessary to develop a policy on combating tax evasion.

The Administrative and Finance Department of Albioma is responsible for the application of tax law upon all business carried out in France and Brazil. The Accounting Department submits the tax declarations for France, and chartered accountants submit them for Italy, Spain and Brazil. Lastly, the Group's Management Control Department supervises the consolidation of the Group tax burden.

The Group has committed to transparently disclosing its tax-related information (see additional information in Note 13 to the consolidated financial statements on pages 187 *et seq.* in Section 4 of this Universal Registration Document). In 2021, the theoretical and actual tax rates differed by less than 0.5%. Lastly, no fines for breach of tax laws and regulations were recorded in the accounts in the 2021 financial year.

1.7.4.3. Respect for human rights

Respect for human rights is founded on principles and values that involve workplace aspects (labour rights, health and safety), societal aspects (community legislation) and ethical aspects (human dignity, combating discrimination and fighting corruption).

The Group's Code of Ethics, discussed earlier, emphasises that human beings are the top of its priorities by guaranteeing the safety of employees and the external workers required to work within it and repeating its commitment to combat all forms of discrimination, harassment and violation of dignity. Furthermore, the Group's labour policy is deployed in accordance with the conventions of the International Labour Organisation (ILO), particularly Conventions 87 and 98 relating to freedom of association and the right to collective bargaining (see additional information in Section 1.7.2.3 on pages 54 *et seq.* of this Universal Registration Document).

The CSR roadmap 2018–2023 embraces several of its commitments in its Workplace pillar (commitment 4, "Ensure health and safety in the workplace") and its Community pillar (commitment 7, "Expand our responsible purchasing practices"). The first aim of the Community pillar is to guarantee the traceability and sustainability (in the broad sense of the term) of imported biomass fuel procurements, with the prospect of ending coal use in the Group's thermal facilities in Overseas France. In particular, the certification systems that provide a framework for purchases of these biomass fuels supplement the environmental requirements with workplace and social requirements such as obeying the laws of the local communities. As longstanding energy production methods, purchases of imported fossil fuels are sourced from recognised, quality suppliers that in turn order from producers that uphold good CSR practices.

1. According to the conclusions of the Council on the European Union's revised list of fiscally uncooperative countries and territories (2021/C 66/10) published in the Official Journal of the European Union on 26 February 2021.

2. See additional information in Section 1.7.2.2 on pages 52 *et seq.* of this Universal Registration Document.

For other types of purchases (excluding fuels), the Group's agreements with its suppliers and service providers already include a "labour and environmental responsibility" clause that, among other things, requires them to respect human rights and the conventions of the International Labour Organisation. Internally, a Purchasing Operational Guide produced in 2018 and distributed to the buyers states the fundamental principles and conventions to obey when conducting purchasing operations on behalf of Albioma or its subsidiaries. Supplementary work began at the end of 2019, at the CSR and Environment Department's request and with the collaboration of the Industrial Department, to map the environmental, workplace and societal issues in the main sectors involved in the Group's value chain. The methodology applied is based on international benchmarks such as that of the Sustainable Accounting Standard Board and the United Nations Environment Programme's Financial Initiative. On 23 February 2022, the European Commission published its proposed Directive on Corporate Sustainability Due Diligence. The Group plans to direct its next actions towards complying with this directive, by ultimately developing a sustainable purchasing strategy, deploying action plans and setting up key performance indicators.

In 2021, there were no controversies affecting Albioma and involving the Group and its businesses in failing to comply with human rights or international basic texts.

1.7.5. NON-FINANCIAL RATING

63/100
Score ESG
V.E

V.E. (formerly, VigeoEiris) awarded the Group a 63/100 sustainability performance rating for the 2021 financial year, classified as "advanced", the highest category in its scale. Albioma is placed 14th out of a total of 66 companies in its sector rated in Europe.

**Included in
the Gaïa index**



Since 2014, Albioma has been included in the Gaïa index developed by the Ethifinance non-financial rating agency. Albioma is therefore one of the most efficient companies for controlling its ESG risks, out of a panel of 390 SMEs listed on the Paris stock market. The Group was awarded a rating of 73/100, which has been steadily increasing over the past two years, with a significant rise of 7 points. Albioma is thus ranked above the average of the national benchmark, evaluated at 59/100.

CDP
DISCLOSURE
2021

For the first time, the Group also participated in the annual assessment by the CDP (formerly, Carbon Disclosure Project), an international not-for-profit organisation. It received a C rating, which is equivalent to the average for the renewable energy production sector.

1.7.6. REPORTING INDICATORS AND METHODOLOGY

1.7.6.1. Key performance indicators

	2021	2020	2019	Goal by 2023
A HUMAN RESOURCES POLICY AT THE HEART OF THE GROUP'S STRATEGIC ISSUES				
Employee accident frequency rate ¹	8.06	13.42	6.16	<8
Employee accident severity rate ¹	0.25	0.33	0.22	<0.5
Number of service provider accidents ²	16	6	15	-
Share of workforce covered by employee representative bodies	83%	89%	90%	-
Share of workforce covered by collective agreements on work conditions signed during the year	86%	86%	87%	-
ALBIOMA IS COMMITTED TO THE ENERGY TRANSITION				
Renewable energy as a share of total production	73.7%	68.1%	66.5%	>80%
Greenhouse gas intensity of energy production (in equivalent grams CO ₂ /kWh) ³	321	370	384	254
Share of wood pellets guaranteed legal and sustainable imported into Overseas France ⁴	100%	100%	100%	100%
Share of combustion by-products recovered	44%	44%	42%	-
Annual contractual risk prevention plan progress ⁵	74%	63%	-	>75%
Reduction in air pollutant intensity ^{3,5}	(62%)	(62%)	(51%)	(75%)
Local share of annual purchases (excluding fuels) ⁴	56%	56%	46%	-
Share of employees trained in sustainable development	74.9%	2.8%	-	>75%
ETHICS AND COMPLIANCE FOR A RESPONSIBLE ECONOMY				
Fines and indemnities (in € thousands) and/or non-financial sanctions for legal and regulatory non-compliance	-	-	-	-
Share of sites certified ISO14001 and/or ISO45001 (% of revenue)	51%	54%	51%	>75%
Share of employees having attended at least one awareness session on the risk of corruption and its related risks	8%	9%	-	100%

1. *Albioma employee accidents resulting in more than 24 hours of time off are recognised.*

2. *Service provider accidents resulting in more than 24 hours of time off are recognised.*

3. *The 2020 data has been adjusted.*

4. *Scope: Thermal Biomass France.*

5. *Scope: Thermal Biomass France, reference year 2016.*

1.7.6.2. Other indicators

Labour indicators

	2021	2020	2019
HEADCOUNT			
Headcount as at 31/12/2021	678	606	579
Annual full-time equivalent headcount	651.1	588.5	559.2
BREAKDOWN OF WORKFORCE BY GEOGRAPHIC LOCATION. AS AT 31 DECEMBER			
France - West Indies-French Guiana	25%	26%	27%
France - Indian Ocean	32%	34%	33%
Metropolitan France and Southern Europe	21%	22%	21%
Brazil	17%	18%	19%
Turkey	3%	-	-
Canada	2%	-	-
BREAKDOWN OF WORKFORCE BY BUSINESS SECTOR. AS AT 31 DECEMBER			
Thermal Biomass ¹	437	409	405
Solar Power	89	73	61
Holding company and others ²	152	124	113
BREAKDOWN OF WORKFORCE BY AGE. AS AT 31 DECEMBER			
Under 30	19%	19%	20%
30 - 49	58%	58%	59%
50 and over	23%	23%	21%
BREAKDOWN OF WORKFORCE BY SOCIO-PROFESSIONAL GROUP. AS AT 31 DECEMBER			
Percentage of non-executives	69%	70%	69%
Percentage of executives	31%	30%	31%
PROFESSIONAL EQUALITY			
Percentage of female employees	19%	19%	17%
Women as a percentage of executives	24%	22%	21%
Percentage of female Directors	38%	38%	38%
Women as a percentage of newly recruited employees	28%	33%	33%
BREAKDOWN OF WORKFORCE BY TYPE OF CONTRACT. AS AT 31 DECEMBER			
Permanent employment contract	92.0%	92.1%	92.7%
Fixed-term employment contract	3.1%	2.8%	3.1%
Apprenticeship and trainee contract	4.9%	5.1%	4.1%
BREAKDOWN OF RECRUITMENT BY TYPE OF CONTRACT			
Permanent employment contract	75	63	56
Fixed-term employment contract	20	15	18
Apprenticeship and trainee contract	22	24	19

	2021	2020	2019
DEPARTURES			
Dismissals	9	17	-
Resignations	27	16	7
TURNOVER			
Turnover ³	13.8%	12.3%	0.6%
WORKER EMPLOYMENT AN DINTEGRATION			
Number of employees with disabilities	10	6	3
Subcontracting purchases from firms operating in the sheltered sector (in euros)	24,668	19,804	36,371
Percentage of employees with disabilities ⁴	1.6%	1.5%	1.1%
Interns, apprentices and people on volunteering or vocational training contracts as a share of the workforce at 31 December	7.0%	8.0%	6.4%
ORGANISATION OF WORKING TIME			
Number of hours worked	1,117,083	1,043,281	9745,83
of which hours of overtime	75,170	71,413	2,189
Overtime / hours worked	6.7%	6.8%	6.4%
Percentage of employees working split shifts (fixed day hours)	65.6%	65.3%	63.6%
Percentage of employees working continuous shifts (alternating hours)	34.4%	34.7%	36.4%
Net absenteeism rate ⁵	4.4%	3.6%	4.0%
TRAINING			
Total training hours	28,694	17,736	19,513
Number of hours of training per employee per year	42	29	34
Number of hours of training per executive per year	27	20	29
Number of hours of training per non-executive per year	49	33	36
Percentage of employees having attended at least one training course during the year (%)	83%	78%	79%
HEALTH AND SAFETY			
Number of occupational illnesses	1.00	-	-
Number of fatal accidents	1.00	-	-
Employee accident frequency rate ⁶	8.06	13.42	6.16
Employee accident severity rate ⁶	0.25	0.33	0.22
Number of service provider accidents ⁷	16	6	15

1. Including pellet production business.

2. Including Geothermal Energy business for financial year 2021.

3. The method of calculating the turnover changed in 2020 and was retroactively applied to the 2019 data. The turnover is calculated as follows: number of hirings (permanent and fixed-term) + leavers (number retiring + number resigning + number dismissed + number died + number of fixed-term contracts ended + number of probationers not taken on) during the period divided by two relative to the physical workforce at the end of the previous period (excluding apprenticeship and trainee contracts) multiplied by 100.

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

5. The method of calculating the absenteeism rate changed in 2021 and was retroactively applied to the 2020 and 2019 data. Absences due to maternity and paternity leave, as well as absences due to family events, are now excluded from the calculation.

6. Albioma employee accidents resulting in more than 24 hours of time off are recognised.

7. Service provider accidents resulting in more than 24 hours of time off are recognised.

Environmental indicators

	2021	2020	2019
GENERAL ENVIRONMENTAL POLICY			
Fines and indemnities (in euros) and/or non-financial sanctions for legal and regulatory non-compliance	-	-	-
Activities covered by ISO 9001, 14001 and 45001 triple certification (share of revenue)	51%	54%	51%
Resources allocated to pollution and environmental risk prevention efforts (in thousands of euros)	27,045	140,780	113,301
Financial guarantees as at 31 December ¹	93.7%	93.3%	80.0%
FUELS			
Total biomass consumption (in thousands of tonnes) ²	2,653	2,457	2,475
of which, bagasse consumption	2,279	2,244	2,204
of which, consumption of other local biomass	71	51	273
of which, consumption of imported wood pellets ³	302	162	162
Bioethanol consumption (in thousands of tonnes)	2	2	2
Coal consumption (in thousands of tonnes)	697	772	798
FOD consumption (in thousands of tonnes)	14	20	18
ENERGY PRODUCTION			
Net total electrical and thermal energy production (in GWh)	4,983	4,821	4,927
of which, net electricity production from renewable sources	1,455	1,169	1,204
of which, net electricity production from fossil sources	1,210	1,438	1,537
of which, net thermal energy production from renewable sources	2,217	2,113	2,073
of which, net thermal energy production from fossil sources	101	101	113
Renewable energy as a share of total production (%)	73.7%	68.1%	66.5%
Energy production for self-consumption (in GWh)	350	320	293
Consumption of energy purchased from a supplier (in GWh)	28	36	5
GREENHOUSE GASES²			
Direct greenhouse gas emissions (thousands of tonnes CO ₂ equivalent)	1,712	1,904	2,004
of which carbon dioxide (CO ₂) emissions	1,679	1,870	1,971
of which nitrous oxide (N ₂ O) emissions	24	24	22
of which methane (CH ₄) emissions	9	10	11
Greenhouse gas intensity of energy production ³ (in equivalent grams CO ₂ /kWh)	321	370	384

	2021	2020	2019
AIR QUALITY¹			
Sulphur oxide emissions ⁴ (in tonnes)	1,990	2,138	3,005
SOx rate (in g/kWh)	0.37	0.42	0.58
Nitrous oxide emissions (in tonnes)	2,534	2,142	3,556
NOx rate (in g/kWh)	0.48	0.42	0.68
Carbon monoxide emissions ⁴ (in tonnes)	991	835	628
CO rate (in g/kWh)	0.19	0.16	0.12
Particulate emissions (in tonnes)	1 053	789	448
Particulate rate (in g/kWh)	0.20	0.15	0.09
WATER			
Raw water volume (in thousands of m ³)	8,307	8,581	8,267
of which, surface water	7,072	7,311	6,800
of which, groundwater	1,174	1,218	1,454
of which, drinking water	60	52	13
Water intensity of power generation activity (in m/MWh)	1.56	1.67	1.58
Recycled water as a share of total raw water extraction	14.1%	10.3%	11.3%
Aqueous waste volume (in thousands of m ³)	1,764	2,049	2,178
Number of accidental discharges	-	-	-
DISPOSAL OF COMBUSTION BY-PRODUCTS			
Biomass combustion by-products disposed of (in tonnes)	138,845	133,732	126,043
Coal combustion by-products disposed of (in tonnes)	183,823	158,175	152,969
Sulphogypsum disposed of (in tonnes) ²	1,745	4,157	3,884
Share of by-products recovered	44%	44%	42%
INDUSTRIAL WASTE			
Non-hazardous industrial waste ²	5,688	3,741	2,674
Hazardous industrial waste	803	732	292
Share of industrial waste recycled	18.8%	50.9%	58.6%
PHOTOVOLTAIC WASTE			
Photovoltaic waste	21	Unknown	Unknown
Estimated share of recycled photovoltaic waste ⁵	93%	Unknown	Unknown

1. Scope: Thermal Biomass France.

2. The 2020 data has been adjusted.

3. From direct greenhouse gas emissions.

4. Scope: France.

5. From data provided by the recycling organisations

Social indicators

	2021	2020	2019
STEAM SUPPLIED TO SUGAR REFINERIES			
Steam sent to sugar refineries (in thousands of tonnes)	3,655	3,384	3,388
Estimated savings for sugar refineries ¹ (in thousands of euros)	32,648	30,457	30,495
ELECTRICITY SOLD INTO THE GRID			
Net electricity produced and sold ² (in GWh)	2,665	2,607	2,741
thermal	2,497	2,493	2,629
photovoltaic	117	111	110
geothermal	49	-	-
Number of households whose electricity is supplied by Albioma ³	832,863	814,635	851,217
Number of people whose electricity is supplied by Albioma ⁴	1,832,298	1,792,198	1,872,678
AVAILABILITY RATE			
Thermal plant availability rate ⁵	90.5%	86.2%	88.2%
SUBCONTRACTING			
Subcontracting costs (in thousands of euros) ⁶	53,465	46,311	45,709
Subcontracting costs as a percentage of operating costs ⁶	10%	12%	12%
EMPLOYMENT AND LOCAL ECONOMIC DEVELOPMENT			
Proportion of local purchases ⁷	56%	56%	46%
Amount of taxes paid to local authorities (in thousands of euros) ⁶	9,347	12,191	13,299
STAKEHOLDERS			
Financial contributions provided to partners (in thousands of euros)	66.6	173.3	108.7

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

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

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

4. It is calculated based on the average number of individuals per household in France (2.2 according to the French statistics office, INSEE, 2011).

5. This rate corresponds to the average availability rates of the French thermal power plants weighted to factor in net power output. The availability rate is the ratio between the maximum energy produced by the plant and the maximum demand for energy.

6. Scope: France.

7. As a percentage of the total purchases of the Thermal Biomass business in France, excluding fuels.

1.7.6.3. Reporting scope and methodology

The quantitative and qualitative information concerns Albioma subsidiaries (as defined in Article L. 233-1 of the French Commercial Code) and the companies that Albioma controls (as defined in Article L. 233-3 of the French Commercial Code), in other words, fully consolidated Group companies (see additional information in Note 40 to the consolidated financial statements for the 2021 financial year on pages 216 *et seq.* in Section 4 of this Universal Registration Document). Vale Do Paran , a Brazilian power plant commissioned on 25 December 2020 in which Albioma has a non-controlling interest, and the Mauritian subsidiaries consolidated using the equity method are not within the scope of the consolidated labour, environmental and social data.

The labour and social information concerns all operational entities and the head office. However, the environmental information only concerns the operational entities, given the little head office information in the Group data. In 2021, the scope of consolidation was widened with the incorporation of the G m sk y plant in Turkey. This is the Group's first geothermal power plant and it was acquired on 26 January 2021, enabling its environmental, employment and social information to be consolidated for the 2021 financial year. New solar power facilities were commissioned and are also included in the consolidation scope. Only the employment and social information of the La Granaudi re wood pellet production plant in Canada, renamed Biomasse du Lac Taureau, are within the consolidation scope for this financial year, due to an acquisition confirmed on 27 December 2021. Lastly, the non-financial information relating to the second geothermal power plant in Turkey, Albioma Kuyucak Jeotermal Elektrik  retim, which the Group acquired on 14 February 2022, will be consolidated in the 2022 financial year (see additional information in Note 39 to the consolidated financial statements for the 2021 financial year on page 215 in Section 4 of this Universal Registration Document).

The reporting responsibilities, scope, controls and calendar are governed by a protocol that is reviewed annually and available to the CSR and Environment Department. Information is collected and consolidated under the responsibility of the CSR and Environment Department. The information collected is subjected to internal consistency tests prior to consolidation and publication, in addition to quantitative and qualitative checks by the independent third-party body. As the Group is not directly concerned by the subjects of "combating food waste", "combating food insecurity", "respect for animal welfare", "responsible, fair and sustainable food" and "actions to encourage physical and sporting activities"

required by Article L. 225-102-1 of the French Commercial Code, it does not specifically monitor these subjects.

1.7.7. APPLICATION OF THE EU TAXONOMY TO THE GROUP'S ACTIVITIES

1.7.7.1. Presentation of the EU Taxonomy for sustainable activities

In December 2019, the European Commission presented its European Green Deal, a roadmap for making the European economy sustainable by transforming the climatic and environmental issues into opportunities and guaranteeing a fair and inclusive transition for all. To attract investments to economic activities considered the most environmentally sustainable, the European Parliament and the Member States adopted Regulation (EU) 2020/852 of 18 June 2020 on "the establishing of a framework to facilitate sustainable investment", amending Regulation (EU) 2019/2088, thereby establishing the EU Taxonomy for sustainable activities.

The goal of this taxonomy is to define the European Union's environmental objectives and the economic activities considered as substantially contributing to at least one of these objectives without significantly harming the five others, as well as respecting the minimum guarantees relating to human rights and the right to work. The six environmental objectives that the EU has set itself are:

- Climate change mitigation;
- Climate change adaptation;
- Sustainable use and protection of water and marine resources;
- Transition to a circular economy;
- Pollution prevention and control;
- Protection and restoration of biodiversity and the ecosystem.

On 4 June 2021, the European Commission then adopted, pursuant to Regulation (EU) 2020/852 of 18 June 2020 (referred to as the Taxonomy Regulation), its Delegated Regulation (EU) 2021/2139 for determining the conditions under which economic activities can be considered as substantially contributing to the climatic objectives, with the aim of helping to achieve carbon neutrality in 2050. On 6 July 2021, Delegated Regulation (EU) 2021/2178, referred to as "Article 8" on the content and presentation of the information to be disclosed, was adopted in its turn.

For the first year in which these provisions apply, non-financial businesses must disclose the portion of their activities that is eligible and ineligible in the Taxonomy, regarding their total revenue, their total capital expenditure (Capex) and their total operating expenditure (Opex) in the data for the

2021 financial year without comparative information. Note: an activity is said to be eligible if it is listed in Appendices I and II of the Taxonomy Regulation's Delegated Regulation adopted on 4 June 2021, regardless of whether or not the economic activity meets any of the technical screening criteria set down in this Delegated Regulation.

1.7.7.2. Eligibility in the EU Taxonomy for sustainable activities

Pursuant to the previous definition, Albioma's economic activities that are 'eligible' in the green EU Taxonomy are as follows:

- Energy production from renewable resources, including:
 - electricity production by means of PV solar technology (4.1¹);
 - electricity production by means of geothermal energy (4.6¹);
 - electricity production by means of renewable gaseous and liquid fuels of non-fossil origin (4.7¹);
 - electricity production by means of bioenergy (4.8¹);
 - cogeneration of heat and electricity by means of bioenergy (4.20¹).

The Albioma activities that are 'ineligible' in the green EU Taxonomy are those relating to electricity production by means of coal and fuel oil. In 2021, these ineligible activities solely concerned the scope of the Group's Thermal Energy activities in Overseas France, for which it has set up one of the three pillars of its strategic commitment to the energy transition. Notably, the Group has undertaken to completely stop using coal by 2025 in its longstanding bagasse/coal-fired power plants on Reunion Island and in Guadeloupe (see additional information in Section 1.4.1 on pages 22 *et seq.* of this Universal Registration Document).

1.7.7.3. Indicators in the EU Taxonomy for sustainable activities

The financial information has been assessed based on a detailed analysis of the Group as at the end of the 2021 financial year. This has been done using the existing information systems and the interpretations and conventions resulting from an analysis of Delegated Regulation 2021/2178 for each indicator.

A summary of the indicators as at 31 December 2021 is shown below.

2021 Financial Year	Share of revenue	Share of Capex	Share of Opex
Statement of eligible activities	65.3%	86.0%	Not significant

Eligible revenue

65.3% of the Group's revenue is 'eligible' in the EU Taxonomy for sustainable activities.

This proportion of the revenue is calculated, with the numerator based on sales of the steam and electricity produced using renewable energies (biomass, bioethanol, PV solar and geothermal) and fixed remuneration from the bagasse, biomass and ethanol units, and the denominator based on the Group's consolidated revenue for the year ended 31 December 2021.

Sales of steam and electricity generated using fossil fuels (coal and fuel oil) and fixed remuneration from coal units are excluded from the calculation.

	Absolute revenue (in millions of euros)	Share of consolidated revenue
A. 'Eligible' activities in the Taxonomy		
Thermal Biomass France	297.0	51.8%
Solar Power	49.1	8.6%
Brazil	24.1	4.2%
Geothermal Energy	4.1	0.7%
Revenue of 'eligible' activities in the Taxonomy	374.2	65.3%
B. 'Ineligible' activities in the Taxonomy		
Revenue of 'ineligible' activities in the Taxonomy	199.1	34.7%
Total (A+B)	573.3	100%

CAPEX

A very large proportion of the Group's Capex (96.9%) is 'eligible' within the meaning of the EU Taxonomy for sustainable activities.

This is calculated using the following financial data ratio:

■ As the numerator:

- Investments associated with the operation of steam and electricity production facilities powered by renewable energies (biomass, bioethanol, PV solar and geothermal);
- Investments to enable the facilities to replace coal by biomass in producing steam and electricity using renewable energies;
- Investments in acquisitions of new electricity production units using renewable energies;

¹ Refers to the categories in Appendices I and II of the Delegated Regulation (EU) 2021/2139 of 4 June 2021

■ As the denominator:

- Total flows increasing the gross value of tangible and intangible fixed assets in the balance sheet and increasing the gross value of right-of-use assets in the case of long-term leases recognised under IFRS 16.

Investments associated with the operation of steam and electricity production plants using fossil fuels (coal and fuel oil), as well as the investment to acquire the La Granaudière wood pellet production plant (renamed Biomasse du Lac Taureau), are excluded from the calculation.

	Absolute Capex (in millions of euros)	Share of Capex
A. 'Eligible' activities in the Taxonomy		
Thermal Biomass France	118.2	63.3%
Solar Power	26.0	13.9%
Brazil	3.5	1.9%
Geothermal Energy	12.9	6.9%
Capex of 'eligible' activities in the Taxonomy	160.7	86.0%
B. 'Ineligible' activities in the Taxonomy		
Capex of 'ineligible' activities in the Taxonomy	26.1	14%
Total (A+B)	186.8	100%

OPEX

The work carried out on the Opex ratio concluded that this value is not significant for the Group. This is because Albioma's total non-capitalised R&D expenses, building renovation expenses, short-term lease agreements and asset maintenance and repair expenses amount to approximately 10% of its total Opex, which amounted to €39.5 million in the year ended 31 December 2021.

1.7.8. REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS INDEPENDENT THIRD PARTIES, ON THE CONSOLIDATED NON-FINANCIAL INFORMATION PRESENTED IN THE GROUP'S MANAGEMENT REPORT

Mazars SAS
61 rue Henri Regnault
92400 Courbevoie

To the Albioma General Meeting,

In our capacity as Statutory Auditors of the Albioma company, being appointed as an independent third party accredited by Cofrac (Cofrac Inspection accreditation no. 3-1058, the scope of which is available on www.cofrac.fr) and a member of the Mazars network, we have conducted work enabling us to express a limited assurance conclusion regarding the historical information (actual or extrapolated) in the consolidated non-financial performance declaration for the financial year ended 31 December 2021 (hereinafter the "Information" and the "Declaration", respectively), prepared in accordance with the Entity's procedures (hereinafter the "Guidelines") and presented in the Group's Management Report pursuant to the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

CONCLUSION

Based on the procedures that we have implemented as described in the "Nature and scope of our work" Section, and the information that we have obtained, no material misstatements have come to our attention that cause us to believe that the non-financial performance declaration does not comply with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly, in all material respects, in accordance with the Guidelines.

PREPARATION OF THE NON-FINANCIAL PERFORMANCE DECLARATION

The lack of a generally-accepted or commonly-used reference framework or established practices on which to base our assessment or measurement of the Information allows us to use different yet acceptable techniques, potentially affecting comparability between entities and over time.

Consequently, the Information must be read and interpreted with reference to the Guidelines, the significant elements of which are presented in the Declaration.

LIMITS INHERENT IN THE PREPARATION OF THE INFORMATION

The Information may be subject to uncertainty inherent to the state of scientific or economic knowledge available and the quality of the external data used. Some information is sensitive to the choice of methodology, assumptions and/or estimates used for its preparation and presentation in the Declaration.

RESPONSIBILITY OF THE COMPANY

The Board of Directors is responsible for:

- Selecting or establishing suitable criteria for preparing the Information;
- Making a Declaration pursuant to the legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks and the outcomes of these policies, including key performance indicators and the information stipulated in Article 8 of Regulation (EU) 2020/852 (EU Taxonomy for sustainable activities);
- Setting up the internal controls that it determines is necessary to prepare Information that is free from material misstatement, whether due to fraud or error.

The Declaration has been made in accordance with the Entity's Guidelines as referred to above.

RESPONSIBILITY OF THE INDEPENDENT THIRD PARTY

On the basis of our work, our responsibility is to express a limited assurance conclusion on:

- Compliance of the Declaration with the provisions of Article L. 225-105 of the French Commercial Code;
- The fairness of the historical information (actual or extrapolated) provided pursuant to (3°) of (I) and (II) of Article R. 225-105 of the French Commercial Code, namely, the outcomes of the policies, including key performance indicators, and the actions relating to the main risks.

As we are required to issue an independent conclusion regarding the Information prepared by the management, we are not permitted to be involved in the preparation of said Information as this could compromise our independence.

It is not our responsibility to give an opinion on the following:

- The entity's compliance with other applicable legal and regulatory provisions (including those relating to information provided for under Article 8 of Regulation (EU) 2020/852 (EU Taxonomy for sustainable activities) and combating corruption and tax evasion);
- The fairness of the information provided for in Article 8 of Regulation (EU) 2020/852 (EU Taxonomy for sustainable activities);
- The compliance of the products and services with the applicable regulations.

REGULATORY PROVISIONS AND APPLICABLE PROFESSIONAL GUIDANCE

We performed the work detailed below in accordance with the provisions of Articles A. 225 1 *et seq.* of the French Commercial Code, the professional guidance of the French national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement and acting as the verification programme and with the ISAE 3000 international standard (revised).

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the provisions provided for in Article L. 822-11 of the French Commercial Code and the Code of Ethics of the Statutory Auditor profession. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with the applicable statutory and regulatory requirements, codes of ethics and professional guidance of the French national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

MEANS AND RESOURCES

A five-person, multidisciplinary team worked on this engagement for a total of five weeks over the period between December 2021 and April 2022.

We have conducted around a dozen meetings with the people responsible for preparing the Declaration, mainly representing the Administration and Finance, Risk Management, Compliance, Human Resources, Health and Safety, Environment and Purchasing departments.

NATURE AND SCOPE OF OUR WORK

When planning and carrying out our work, we took into account the risk of material misstatements in the Information.

We believe that the procedures we conducted, based on our professional judgement, allow us to express a limited assurance conclusion:

- we have acquainted ourselves with the business of all entities included in the consolidation scope and the presentation of the main risks;
- we have assessed the suitability of the Guidelines in the light of their relevance, completeness, reliability, impartiality and comprehensibility, and taking good market practice into account when necessary;
- we have checked that the Declaration covers every category of information provided for in (III) of Article L. 225-102-1 concerning labour-related and environmental matters, as well as respect for human rights and combating corruption and tax evasion;
- we have checked that the Declaration presents the information provided for in (II) of Article 225-105 when it relates to the main risks and includes, when applicable, an explanation of the reasons justifying the lack of the information required by paragraph 2 of (III) of Article L. 225-102-1;
- we have checked that the Declaration presents the business model and the main risks associated with the business of all Entities included in the consolidation scope, including, if necessary and proportionate, the risks created by its business relationships, its products or its services and the policies, actions and outcomes, including the key performance indicators relating to the main risks;
- we have consulted documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the main risks and the consistency of the outcomes, including the key performance indicators chosen, with regard to the main risks and policies presented, and
 - corroborate the qualitative information (actions and outcomes) that we considered the most important and which are presented in Appendix 1. For certain risks (risk associated with corruption; risk associated with environmental and labour compliance; risk associated with industrial accidents; risk associated with the procurement of biomass fuel and the risk associated with being accused of non-use of local service providers), our work was carried out on the consolidating entity; for the other risks, work was carried out on the consolidating entity and on a selection of entities;
- we have checked that the Declaration covers the consolidated scope, namely, all the entities included in the consolidation scope pursuant to Article L. 233-16 with the limits specified in the Declaration;
- we have acquainted ourselves with the internal control and risk management procedures set up by the entity and assessed the data collection process intended to ensure the completeness and fairness of the Information;
- we have performed the following for the key performance indicators and the other quantitative outcomes that we considered the most important and which are listed in Appendix 1:
 - analytical procedures that check that the data collected has been consolidated properly and that changes thereto are consistent;
 - spot tests, on a sample basis and using other means of selection, that consisted in verifying the proper application of definitions and procedures and reconciling data with supporting documents. These procedures were carried out for a selection of contributing entities¹ and cover between 29% and 100% of the consolidated data selected for these tests;

1. *Albioma Bois-Rouge; Indian Ocean region Solar Power business; Albioma Codora Energia; Albioma Rio Pardo Termoelétrica.*

- we have assessed the overall consistency of the Declaration relative to our knowledge of all entities included in the consolidation scope.

The procedures conducted in a limited assurance review are less extensive than those required for a reasonable assurance opinion performed in accordance with the professional guidelines of the French national auditing body (Compagnie Nationale des Commissaires aux Comptes); a higher level of assurance would have required us to carry out more extensive procedures.

The independent third party,

Mazars SAS

Paris La Défense, 28 April 2022

Daniel Escudeiro
Partner

Edwige Rey
CSR & Sustainable Development partner

Appendix: Information considered to be the most important

LIST OF QUANTITATIVE INFORMATION, INCLUDING KEY PERFORMANCE INDICATORS

- Significant fines and indemnities and non-financial sanctions for legal and regulatory non-compliance (euros)
- Share of sites certified ISO 14001 and/or ISO 45001 (% of revenue)
- Share of combustion by-products recovered (%)
- Annual contractual risk prevention plan progress (%)
- Renewable energy as a share of total production (%)
- Greenhouse gas intensity of energy production (in equivalent grams CO₂/kWh),
- Percentage intensity reduction of the main air pollutants (%)
- Employee accident frequency rate
- Employee accident severity rate
- Number of service provider accidents with time off > 24h
- Share of workforce covered by employee representative bodies
- Share of workforce covered by collective agreements on work conditions signed during the year
- Share of employees trained on Group business CSR issues relating to the energy transition (climate, biodiversity, etc.)
- Local share of annual purchases (excluding fuels) (%)
- Share of wood guaranteed sustainable used to produce energy in Overseas France (%)
- Share of employees having attended at least one awareness session on the risk of corruption and its related risks

02

CORPORATE GOVERNANCE

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2.1. General remarks

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

Pursuant to the decisions of the meeting of the Board of Directors of 19 December 2008, the Company voluntarily complies with the corporate governance code for listed companies published by AFEP and MEDEF (the “AFEP-MEDEF Code”), last updated in January 2020. The Company also applies the principles defined in the AFEP-MEDEF Code’s implementation guidelines, published by the High Committee on Corporate Governance and most recently updated in March 2022.

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

In accordance with the recommendations of the AMF and Article L. 22-10-10 of the French Commercial Code (Code de commerce), the provisions of the AFEP-MEDEF Code that the Company has not applied are summarised in a table in Section 2.6 on page 146 of this Universal Registration Document, setting out the reasons for this choice.

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

The information that follows, together with the information in Section 8.6.5 on page 327 of this Universal Registration Document, constitutes the special report of the Board of Directors on corporate governance referred to in Article L. 225-37 of the French Commercial Code.

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

2.2.1. ORGANISATION OF GENERAL MANAGEMENT

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

This decision was a result of the implementation of the succession plan reviewed annually by the Board of Directors on the basis of the work carried out by the Nomination and Remuneration Committee (since renamed the Nomination, Remuneration and Governance Committee). It reflected the shared desire of the Board of Directors and Jacques

Pétry to ensure that the succession of the Chief Executive Officer is organised in as efficient a manner as possible, in the interests of both the Company and its shareholders.

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

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

The meeting of the Board of Directors held on 27 May 2019 following the General Meeting that same day, reaffirmed its decisions at the 30 March 2018 meeting regarding the proposals from Jacques Pétry and accordingly:

- recorded the resignation of Jacques Pétry as Chairman of the Board of Directors and as Company Director, with immediate effect;
- recorded that the handover period following the transfer of the role of Chief Executive Officer to Frédéric Moyne should be considered completed and that in this respect the combining of the roles of Chairman of the Board of Directors and of Chief Executive Officer was the corporate governance model best suited to the Company’s strategic challenges;
- decided to combine the roles of Chairman of the Board of Directors and of Chief Executive Officer, and to appoint Frédéric Moyne as Chairman of the Board of Directors, for the period of his term of office as Director (i.e. to the close of the General Meeting called in 2021 to approve the 2020 financial statements);

At its meeting of 29 May 2020, the Board of Directors reaffirmed this corporate governance model for the Company when it reappointed Frédéric Moyne as Chief Executive Officer for a period of four years ending following the General Meeting called in 2024 to approve the 2023 financial statements. Following the reappointment of Frédéric Moyne as Director at the General Meeting of 25 May 2021, the Board of Directors also confirmed Frédéric Moyne as Chairman of the Board of Directors and in so doing confirmed the Company’s unitary corporate governance model.

2.2.2. STATUS OF THE CHIEF EXECUTIVE OFFICER

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

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

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

The Chief Executive Officer is bound by the same obligations as the Directors with regard to stock-market ethics (see additional information in Section 2.3.1.2 on page 99 of this Universal Registration Document).

He is also bound by the same obligations as the Directors with regard to integrity. Accordingly, at the time of his appointment as Chief Executive Officer and most recently during the review of the position of corporate officers for the 2021 financial year (meeting of the Board of Directors of 1 March 2022), Frédéric Moyné made the same declarations as each of the Directors and in this respect formally confirmed that he:

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

2.2.3. POWERS OF THE CHIEF EXECUTIVE OFFICER

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

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

- Barring special authorisations from the Board of Directors, the Chief Executive Officer was, during 2021, authorised to furnish sureties, pledges and guarantees under the following conditions:
 - to any tax and customs authorities, for an unlimited amount, with the option to further delegate;
 - for any other reason, with the option to further delegate, for a maximum aggregate value of €50 million per guarantee (or its equivalent value in any other currency), provided that such securities, pledges and guarantees are furnished in connection with commitments entered into by a company controlled by the Company as per Article L. 233-16 of the French Commercial Code;
 - for the following reasons and subject to the following terms and conditions, with the option to further delegate, in the case of securities, pledges and guarantees furnished in connection with commitments entered into by a company that is not controlled by the Company within its scope of consolidation:
 - for the purchase of biomass fuels, for a maximum aggregate value of €30 million each year (or its equivalent value in any other currency) and for a maximum per guarantee of €2.5 million (or its equivalent value in any other currency);
 - for the purchase of other fuels, for a maximum aggregate value of €60 million each year (or its equivalent value in any other currency) and for a maximum per guarantee of €10 million (or its equivalent value in any other currency);

- for any other reason or any other beneficiary, for a maximum aggregate value of €30 million each year (or its equivalent value in any other currency) and for a maximum per guarantee of €30 million (or its equivalent value in any other currency).
- This authorisation was renewed on similar terms for the 2022 financial year at the 2 December 2021 meeting of the Board of Directors. Accordingly, barring special authorisations from the Board of Directors, the Chief Executive Officer was, during the 2022 financial year, authorised to furnish sureties, pledges and guarantees under the following conditions:
 - to any tax and customs authorities, for an unlimited amount, with the option to further delegate;
 - for any other reason, with the option to further delegate, for a maximum aggregate value of €30 million per guarantee (or its equivalent value in any other currency), provided that such securities, pledges and guarantees are furnished in connection with commitments entered into by a company controlled by the Company as per Article L. 233-16 of the French Commercial Code;
 - for the following reasons and subject to the following terms and conditions, with the option to further delegate, in the case of securities, pledges and guarantees furnished in connection with commitments entered into by a company that is not controlled by the Company within its scope of consolidation:
 - for the purchase of biomass fuels, for a maximum aggregate value of €50 million each year (or its equivalent value in any other currency) and for a maximum per guarantee of €2.5 million (or its equivalent value in any other currency);
 - for the purchase of other fuels, for a maximum aggregate value of €60 million each year (or its equivalent value in any other currency) and for a maximum per guarantee of €10 million (or its equivalent value in any other currency);
- for any other reason or any other beneficiary, for a maximum aggregate value of €30 million each year (or its equivalent value in any other currency) and for a maximum per guarantee of €30 million (or its equivalent value in any other currency).
- Pursuant to the Internal Regulations of the Board of Directors, the Board of Directors must authorise:
 - all major investments, with the exception of capital expenditure for maintenance work, necessary for industrial or external growth projects during the year and, if applicable, the financing thereof;
 - all capital expenditure for maintenance work that entails immediate or future commitments that exceed the amounts budgeted therefor, as stated in the budget approved by the Board of Directors;
 - all significant sales or contributions of assets;
 - and any significant transaction that is not part of the strategy approved by the Board of Directors or that entails immediate or future commitments that significantly exceed the budget approved by the Board of Directors.

2.2.4. LIST OF THE MAIN OFFICES AND POSITIONS HELD BY THE CHIEF EXECUTIVE OFFICER DURING THE 2021 FINANCIAL YEAR AND THE FIVE PREVIOUS YEARS

Frédéric Moyné, Director, Chairman and Chief Executive Officer

- Born on 15 October 1975, of French nationality
 - Main position held outside the Group as of the date of filing of this Universal Registration Document (when the position held within the Group is not the main position): none
 - Business address: Albioma, Tour Opus 12, 77 esplanade du Général de Gaulle, 92914 La Défense Cedex
 - Held 96,072 Albioma shares and 103,256 warrants as of the date of filing of this Universal Registration Document
- Frédéric Moyné's biography can be found in Section 1.5.3.2 on page 28 of this Universal Registration Document.

Other offices and positions held at 31/12/2021

WITHIN ALBIOMA GROUP

Albioma Nevis Inc. (Saint Kitts and Nevis)	Director
Albioma Solaire Développement SAS	Permanent representative of Albioma in its capacity as Chairman
Gümüşköy Jeotermal Enerji Üretim A.S (Turkey)	Chairman
Quant 2008 A SRL (Italy)	Director
Quant Energia Italia SRL (Italy)	Director
9455-8624 Quebec Inc. (Canada)	Director

OUTSIDE ALBIOMA GROUP

Syndicat des Énergies Renouvelables	Chairman of the Overseas Regions Committee within the Board of Directors
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Other offices and positions held during the last five years, expired at 31/12/2021

Expiry

WITHIN ALBIOMA GROUP

Albioma Solaire France SAS	Permanent representative of Albioma in its capacity as Chairman	2019
Albioma Solar Assets France 1 SAS	Permanent Representative of Albioma Solaire France in its capacity as Chairman	2019
Albioma Solar Assets France 2 SAS	Permanent Representative of Albioma Solaire France in its capacity as Chairman	2019
Eco Énergie Habitation SAS	Permanent Representative of Albioma Solaire France in its capacity as Chairman	2019
Société Énergétique de Cazaux de Larboust SAS	Permanent Representative of Albioma Solaire France in its capacity as Chairman	2019
OTS SAS	Permanent Representative of Albioma Solaire France in its capacity as Chief Executive Officer	2019
Corbières Photo 1 SAS	Permanent Representative of Albioma Solaire France in its capacity as Chief Executive Officer	2019
Quantum Caraïbes SAS	Member of the Commitments Committee	2017
Albioma Participações do Brasil LTDA (Brazil)	Chief Executive Officer	2016
Albioma Rio Pardo Termoeletrica LTDA (Brazil)	Chief Executive Officer	2016
Albioma Codora Energia SA (Brazil)	Chief Executive Officer	2016

OUTSIDE ALBIOMA GROUP

None

1. See additional information in Section 6.2.2.2 on pages 274 et seq. of this Universal Registration Document.

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

2.3.1. MEMBERSHIP OF THE BOARD OF DIRECTORS

2.3.1.1. Membership of the Board of Directors at 31 December 2021

The table below summarises the membership of the Board of Directors at 31 December 2021. Additional information on the current corporate officers on this date is provided in Section 2.3.2.1 on pages 101 *et seq.* of this Universal Registration Document. Information on changes to the composition of the Board of Directors since the beginning of the 2021 financial year and on changes to the composition of the Board of Directors that the General Meeting that will be held on 25 May 2022 will be asked to approve is also provided in Sections 2.3.1.5 and 2.3.1.6 on page 100 of this Universal Registration Document.

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

At 31 December 2021, the Company's Board of Directors had eight members:

- the Chairman and Chief Executive Officer;
- six independent Directors;
- Bpifrance Investissement, acting on behalf of the ETI 2020 fund it manages, Company shareholder (see additional information in Section 6.3.2.2 on pages 276 *et seq.* of this Universal Registration Document).

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

- any Directors appointed by the employees (Article L. 225-27 of the French Commercial Code)¹;
- any Directors representing employee shareholders (Article L. 225-23 of the French Commercial Code), given that the percentage of the share capital held by employees of the Company or of any related companies at 31 December 2021 was under 3% (see the information provided in Section 6.3.4 on page 279 of this Universal Registration Document).

Identity	Offices held within the Company	Date of first appointment	Date of most recent appointment ¹	Expiry date ²
Frédéric Moyné	Director	31/05/2017	25/05/2021	2025 GM
	Chief Executive Officer	01/03/2016 ³	29/05/2020	2024 GM
	Chairman of the Board of Directors	27/05/2019	25/05/2021	2025 GM
Jean-Carlos Angulo	Independent Director	30/05/2013	25/05/2021	2023 GM
	Chairman of the Commitments Committee	13/04/2016	25/05/2021	2023 GM
	Member of the Corporate Social Responsibility Committee	30/05/2013	25/05/2021	2023 GM
Pierre Bouchut	Independent Director	30/05/2018	n/a	2022 GM
	Lead Independent Director	24/10/2018 ⁴	n/a	2022 GM
	Chairman of the Audit, Accounts and Risks Committee	30/05/2018	27/05/2019	2022 GM
	Member of the Nomination, Remuneration and Governance Committee	30/05/2018	27/05/2019	2022 GM
Bpifrance Investissement	Director	31/05/2017	25/05/2021	2024 GM
	Member of the Commitments Committee	31/05/2017	25/05/2021	2024 GM
	Member of the Audit, Accounts and Risks Committee	31/05/2017	25/05/2021	2024 GM
	Member of the Nomination, Remuneration and Governance Committee	30/05/2018	25/05/2021	2024 GM
Sébastien Moynot	<i>Permanent representative of Bpifrance Investissement in its capacity as Director, member of the Commitments Committee, member of the Audit, Accounts and Risks Committee and member of the Nomination, Remuneration and Governance Committee</i>		n/a	n/a
Marie-Claire Daveu	Independent Director	28/05/2015	27/05/2019	2023 GM ⁵
	Chairwoman of the Corporate Social Responsibility Committee	28/05/2015	27/05/2019	2023 GM ⁵
	Member of the Nomination, Remuneration and Governance Committee	31/05/2017	27/05/2019	2023 GM ⁵
Florence Lambert	Independent Director	27/05/2019	n/a	2023 GM
	Member of the Corporate Social Responsibility Committee	27/05/2019	n/a	2023 GM
Frank Lacroix	Independent Director	27/05/2019 ⁶	25/05/2021	2025 GM
	Member of the Commitments Committee	27/05/2019	25/05/2021	2025 GM
	Member of the Audit, Accounts and Risks Committee	27/05/2019	25/05/2021	2025 GM
Ulrike Steinhorst	Independent Director	19/09/2017 ⁷	25/05/2021	2025 GM
	Chairwoman of the Nomination, Remuneration and Governance Committee	19/09/2017	25/05/2021	2025 GM
	Member of the Corporate Social Responsibility Committee	30/05/2018	25/05/2021	2025 GM

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

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

3. Effective from 1 June 2016.

4. Effective from 27 May 2019.

5. Marie-Claire Daveu has tendered her resignation from her term of office as a Director on 4 April 2022, effective from 31 July 2022.

6. Provisional appointment by the Board of Directors to replace Jacques Pêtry, for the remainder of the latter's term of office as Director, ratified by the General Meeting of 29 May 2020.

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

1. Furthermore, given its size, the Company was not subject to the provisions of Article L. 225-27-1 of the French Commercial Code, and was therefore not required to take, in 2021, any measures that would result in the appointment of Directors representing employees.

2.3.1.2. Status of Directors

Appointment of Directors

The Board of Directors has between three and 12 members, appointed by the General Meeting. Their term of office lasts four years and expires at the close of the General Meeting called to vote on the financial statements for the year just ended, held in the year in which said term of office expires.

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

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

At 31 December 2021, only two Directors were aged over 70 and the average age of Board members was 57.8 years, compared to 56.8 years 12 months earlier.

Pursuant to the Articles of Association, the Directors must hold at least four hundred (400) Company shares in registered form throughout their term of office. In the event a Director does not hold the aforementioned number of shares at the time of his appointment or ceases to hold the aforementioned number at any time during his term of office, he/she shall be deemed to have automatically resigned unless he/she remedies the situation within a period of six (6) months. At 31 December 2021, all the Directors held the minimum number of shares required by the Articles of Association; all such shares are registered shares, held directly or via an intermediary.

Independence of Directors

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

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

- be an employee or corporate officer of the Company, an employee or director of its parent company or of a company within its consolidation scope and not have been such during the previous five years;
- be an employee or corporate officer of a company in which the Company directly or indirectly holds a directorship or in which an employee appointed as such or a corporate officer of the Company (currently or who has held such a position within the previous five years) holds a directorship;
- be a customer, supplier, investment bank or commercial bank that is significant for the Company or its Group, or for which the Company or its Group represents a material proportion of its business;
- have close family ties with a corporate officer;
- have been an auditor of the Company at any time in the past five years;
- have been a Director of the Company for more than 12 years.

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

During the annual review of the position of the Directors for the 2020 financial year, undertaken at the meeting of the Board of Directors of 21 April 2021, the following Directors were deemed to qualify as independent Directors:

- Jean-Carlos Angulo ;
- Pierre Bouchut ;
- Marie-Claire Daveu ;
- Frank Lacroix ;
- Florence Lambert ;
- Ulrike Steinhorst.

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

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

- Frédéric Moyne, who has served as the Company's Chief Executive Officer since 1 June 2016;
- Bpifrance Investissement, which, through the ETI 2020 fund which it manages, holds a material interest in the company (see additional information in Section 6.3.2.2 on pages 276 *et seq.* of this Universal Registration Document).

These various findings were confirmed at the time of the annual review of the position of the Directors for the 2021 financial year, carried out at the meeting of the Board of Directors of 1 March 2022. The proportion of independent Directors, namely 75%, was therefore higher than the 50% minimum recommended by the AFEP-MEDEF Code for uncontrolled companies at that date.

Management of conflicts of interest

Over and above the considerations relating to the independence of Directors, the Board of Directors regularly checks that all the Directors are in a position to freely exercise their judgement at all times. The Lead Independent Director takes preventive measures, together with the Chairman of the Board of Directors, to raise awareness amongst the Chairman and Chief Executive Officer and other Board members regarding situations likely to give rise to conflicts of interest. He notifies the Board of Directors regarding any potential conflicts of interest involving Directors that were brought to his attention or of which he became aware and helps manage them.

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

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

- formally inform the Board of Directors of the existence of such situations involving a known or potential conflict of interest.

None of the declarations made by the Directors during the review of their position (meetings of the Board of Directors of 21 April 2021 and, most recently, 1 March 2022) revealed the existence of any known conflict of interest.

Multiple offices

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

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

As of the date of filing of this Universal Registration Document, all Company Directors, including the Chairman and Chief Executive Officer (see additional information in Section 2.2.2 on page 93 of this Universal Registration Document on the rules applicable to the Chief Executive Officer), comply with these obligations. The significant offices and positions held by corporate officers during the 2021 financial year are set out in Section 2.3.2.1 on pages 101 *et seq.* of this Universal Registration Document.

Stock market ethics

The Directors are required to comply with the applicable rules regarding the prevention of insider misconduct and insider trading. They are thus subject to the Company's stock market ethics rules.

Each Director is responsible for determining whether information he/she holds is inside information and, in consequence thereof, deciding whether or not he/she is entitled to use or transmit such information, and whether or not he/she is entitled to trade in the Company's securities. Where appropriate, the Directors may seek support from the Secretary of the Board of Directors to determine whether or not any actions they intend to take comply with the applicable rules regarding the prevention of the criminal offence and administrative breach of insider dealing.

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

- In the 30 calendar days prior to the Company's announcement of its annual and half-yearly results;
- In the 15 calendar days prior to the Company's publication of the quarterly financial information for Q1 and Q3.

Lastly, in accordance with the provisions of Article 19 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014, Articles L. 621-18-2 and R. 621-43-1 of the French Monetary and Financial Code and Article 223-23 of the AMF General Regulations, the Directors and managers, their families and friends are required to disclose to the AMF all trading in the Company's securities when the amount of such trading exceeds €20,000 in any calendar year.

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

A summary of trading in the Company's securities disclosed during the 2021 financial year is provided in Section 2.5 on page 146 of this Universal Registration Document.

Declaration regarding integrity

During the review of the Directors' position (meetings of the Board of Directors of 21 April 2021 and, most recently, 1 March 2022), each Director formally confirmed that he/she:

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

2.3.1.3. Gender balance on the Board of Directors

At 31 December 2021, three women sat on the Board of Directors out of a total of eight Directors, representing 37.5% of the Directors in office, unchanged on 31 December 2020.

On both these dates, given that the Board of Directors had eight members, the proportion of Directors of each gender thus complied with the recommendations of Articles L. 225-18-1 and L. 22-10-3 of the French Commercial Code and the recommendations of the AFEP-MEDEF Code.

The proposed changes to the composition of the Board of Directors put to the General Meeting of 25 May 2022 for approval will not affect the compliance of the composition of the Board with the foregoing laws and Code.

2.3.1.4. Staggering the renewal of Directors' terms of office

In accordance with the recommendations of the AFEP-MEDEF Code, the Board of Directors, on the basis of the work of the Nomination, Remuneration and Governance Committee, ensures that the Directors' terms of office are staggered so as to avoid a mass renewal and to foster harmonious renewal. The simultaneous expiry, at the General Meeting of 25 May 2021, of the terms of office of five Directors, led the Board of Directors, on the recommendation of the Nomination, Remuneration and Governance Committee, to ask the General Meeting to amend Article 19 of the Memorandum and Articles of Association. This was to allow the Board of Directors to ask the General Meeting to reappoint Directors for terms of office of under four years, so as to re-establish and subsequently maintain the renewal of one quarter of the terms of office on the Board of Directors each year. The approval of this proposal at the General Meeting of 25 May 2021 and the reappointment, for terms of less than four years, of Jean-Carlos Angulo (two years), Bpifrance Investissement (three years) and Ulrike Steinhorst (three years) as Directors means there is once again a steady rotation of Directors, something the Board of Directors is now in a position to continue over the long-term.

2.3.1.5. Changes made to the composition of the Board of Directors during the 2021 financial year

The General Meeting of 25 May 2021 reappointed the following Directors:

- Frédéric Moynes for a four-year term expiring at the end of the General Meeting to be held in 2025 to approve the 2024 financial statements (the Board of Directors having in tandem reappointed him as Chairman of the Board of Directors for the same term);
- Jean-Carlos Angulo for a two-year term expiring at the end of the General Meeting to be held in 2023 to approve the 2022 financial statements;
- Bpifrance Investissement for a three-year term expiring at the end of the General Meeting to be held in 2024 to approve the 2023 financial statements;
- Frank Lacroix for a four-year term expiring at the end of the General Meeting to be held in 2025 to approve the 2024 financial statements;
- Ulrike Steinhorst for a three-year term expiring at the end of the General Meeting to be held in 2024 to approve the 2023 financial statements.

2.3.1.6. Changes to the composition of the Board of Directors to be put to the General Meeting of 25 May 2022 for approval

The General Meeting of 25 May 2022 will be asked to reappoint Pierre Bouchut as Director for a four-year term to expire at the close of the General Meeting to be held in 2026 to approve the 2025 financial statements (see details in Section 7.2.1.5 on pages 305 *et seq.* of this Universal Registration Document).

2.3.2. LIST OF THE MAIN OFFICES AND POSITIONS HELD BY THE DIRECTORS DURING THE 2021 FINANCIAL YEAR AND THE FIVE PREVIOUS YEARS

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

Frédéric Moyne, Chairman and Chief Executive Officer

See additional information in Section 2.2.4 on page 95 of this Universal Registration Document.

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

- Born on 13 April 1949, of French nationality
- Main position held outside the Group as of the date of filing of this Universal Registration Document (when the position held within the Group is not the main position): none
- Business address: Albioma, Tour Opus 12, 77 esplanade du Général de Gaulle, 92914 La Défense Cedex
- Held 762 Albioma shares as of the date of filing of this Universal Registration Document

A graduate of the École Nationale Supérieure des Mines de Nancy (1971) and INSEAD business school, Jean-Carlos Angulo was a Project Engineer at Société Européenne de Propulsion (SEP) from 1971 to 1974. He joined the Lafarge group in 1975. He was Project Manager, then occupied management positions in several subsidiaries and business divisions, notably in Brazil (Director of Lafarge Consultoria e Estudos, 1981-1984, General Manager of Cimento Mauà and General Manager of Lafarge for the Southern region of Latin America from 1990-1996). Jean-Carlos Angulo was General Manager of Lafarge Ciments France from 1996 to 1999, then in 2000 he was appointed Deputy General Manager of the Lafarge group and in 2007 a member of the group's Executive Committee. After serving as Executive Vice President in charge of Operations between 2012 and 2013, he was appointed Executive Vice President, Advisor to the Chairman, in September 2013, remaining in office until January 2015 when he retired. He joined Albioma's Board of Directors in 2013.

Other offices and positions held at 31/12/2021

WITHIN ALBIOMA GROUP

None

OUTSIDE ALBIOMA GROUP

Cementos Molins SA (Spain)	Director
Cementos Molins SA (Spain)	Member of the Audit Committee

Other offices and positions held during the last five years, expired at 31/12/2021

Expiry

WITHIN ALBIOMA GROUP

None

OUTSIDE ALBIOMA GROUP

Netafim Ltd (Israel)	Director	2021
Netafim Ltd (Israel)	Chairman of the Audit Committee	2021
Armacell International SA (Luxembourg)	Member of the Supervisory Board	2020
Cemento Polpaico SA (Chile) ¹	Director	2018
Lafarge Africa Plc (Nigeria) ¹	Director	2017

1. Listed company.

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

- Born on 22 August 1955, of French nationality
- Main position held outside the Group as of the date of filing of this Universal Registration Document (when the position held within the Group is not the main position): none
- Business address: Albioma, Tour Opus 12, 77 esplanade du Général de Gaulle, 92914 La Défense Cedex
- Held 407 Albioma shares as of the date of filing of this Universal Registration Document

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

Other offices and positions held at 31/12/2021

WITHIN ALBIOMA GROUP

None

OUTSIDE ALBIOMA GROUP

Firmenich SA (Switzerland) ¹	Director
Firmenich SA (Switzerland) ¹	Chairman of the Audit Committee
Geopost SA	Director
Geopost SA	Chairman of the Audit Committee
Groupement Forestier de Meymac-Villemaumy	Manager
Entain PLC (Isle of Man) ¹	Director
Entain PLC (Isle of Man) ¹	Chairman of the Audit Committee
Pepco (Netherlands) ¹	Director
Pepco (Netherlands) ¹	Chairman of the Audit Committee
Qualium Investissement SAS	Member of the Policy Committee
Aniserco SA (Belgium)	Director

Other offices and positions held during the last five years, expired at 31/12/2021

Expiry

WITHIN ALBIOMA GROUP

None

OUTSIDE ALBIOMA GROUP

Hammerson PLC (UK) ¹	Director	2021
Hammerson PLC (UK) ¹	Chairman of the Audit Committee	2021
Ahold Delhaize NV (Netherlands) ¹	Member of the Policy Committee	2018
La Rinascente Spa (Italy)	Director	2017
Lombard Odier Asset Management SA (Switzerland)	Member of the Advisory Board	2017

1. Listed company.

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

- French simplified limited company (*société par actions simplifiée*) with a share capital of €20,000,000.00, registered as number 433 975 224 in the Créteil Trade and Companies Register
- Registered office: 27/31 avenue du Général Leclerc, 94710 Maisons Alfort Cedex
- Held 1,624,791 Albioma shares as of the date of filing of this Universal Registration Document

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

Other offices and positions held at 31/12/2021

WITHIN ALBIOMA GROUP

None

OUTSIDE ALBIOMA GROUP

Almaviva Holding SAS	Director
Altrad Investment Authority SAS	Director
Attis 2 SAS	Member of the Supervisory Board
Beneteau SA ¹	Director
Canosque Holding SAS - La Maison Bleue	Director
Concorde Topco Holdings SAS	Censor of the Board of Directors
Cosmeur SAS	Chairman of the Board of Directors
DR Holding SAS	Member of the Supervisory Board
Early Makers Group SA	Member of the Supervisory Board
Educin Topco SAS	Member of the Supervisory Board
Effeil 65 SAS	Member of the Strategic Committee
Gascogne SA	Censor of the Board of Directors
GCE TCO 1	Director
Green Yellow SAS	Member of the Supervisory Board
Groupe GPS SAS	Director
Indemia Group	Member of the Supervisory Board
Kelenn Participations SAS	Director
Neoen SA	Director
Neoxco SAS	Member of the Supervisory Board
Nexteam Group SAS	Advisory member of the Supervisory Board
PN VII Investment S.C.Sp. (Luxembourg)	Director
Sabena Technics Participation SAS	Member of the Supervisory Board
Sagesse Retraite Santé Holding SAS	Member of the Supervisory Board
Sandaya Investissements SAS	Member of the Supervisory Board
Satys Aerospace SAS	Member of the Shareholders Committee
Société d'Assistance et Gestion du Stationnement SAS	Member of the Supervisory Board
SODA SAS	Member of the Supervisory Board
SSCP Aero Topco SAS	Member of the Supervisory Board
Sulo Group SAS	Member of the Supervisory Board
Tiger Newco SAS	Member of the Supervisory Board
Total Eren SA	Director

1. Listed company.

Other offices and positions held during the last five years, expired at 31/12/2021		Expiry
WITHIN ALBIOMA GROUP		
Albioma SA ¹	Member of the Corporate Social Responsibility Committee	
OUTSIDE ALBIOMA GROUP		
ADE Holding SAS	Member of the Supervisory Board	2021
Bastide le Confort Medical SA ¹	Director	2021
Talentsoft SA	Censor of the Board of Directors	2021
Grandir SAS	Member of the Supervisory Board	2021
GGÉ BCO 1	Director	2020
Sandaya Holding SAS	Advisory member of the Supervisory Board	2019
Finsecur SA	Member of the Supervisory Board	2019
Insignis SAS	Director	2019
Sarenza SAS	Director	2018
Neoen SAS	Member of the Supervisory Board	2018
Neoen SAS	Advisory member of the Board	2018
Algonquin Management Partners SAS	Director	2018
Group GPS SAS	Member of the Strategic Committee	2018
Lucia Holding SAS	Director	2017
De Dietrich SAS	Member of the Supervisory Board	2017
Talend SAS	Director	2017
Satys Group SAS	Censor	2017

1. Listed company.

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

- Born on 29 February 1972, of French nationality
- Main position held outside the Group as of the date of filing of this Universal Registration Document (when the position held within the Group is not the main position): member of the Growth Capital Management Committee of Bpifrance Investissement
- Business address: Bpifrance, 6-8 boulevard Haussmann, 75009 Paris
- He did not hold any Albioma shares as of the date of filing of the Universal Registration Document

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

Other offices and positions held at 31/12/2021

WITHIN ALBIOMA GROUP

None

OUTSIDE ALBIOMA GROUP

Arkema SA ¹	Director
Beneteau SA ¹	Director
Cosmeur SAS	Chairman of the Board of Directors
Altrad Investment Authority SAS	Director
Vivescia Industries SCA ¹	Advisory member of the Supervisory Board
Vivescia Industries SCA ¹	Member of the Audit Committee
Nexteam Group	Advisory member of the Supervisory Board
Verallia	Director

Other offices and positions held during the last five years, expired at 31/12/2021

Expiry

WITHIN ALBIOMA GROUP

None

OUTSIDE ALBIOMA GROUP

Green Yellow SAS	Member of the Supervisory Board	2021
NTL Holding SAS	Director	2019
Horizon Holdings SAS	Director	2019
Farinia SA	Director	2018

1. Listed company.

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

- Born on 05 April 1971, of French nationality
- Main position held outside the Group as of the date of filing of this Universal Registration Document (when the position held within the Group is not the main position): Chief Sustainability Officer and Head of International Institutional Affairs, member of the Executive Committee of Kering Group
- Business address: Kering, 40 rue de Sèvres, 75007 Paris
- Held 412 Albioma shares as of the date of filing of this Universal Registration Document

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

Other offices and positions held at 31/12/2021

WITHIN ALBIOMA GROUP

None

OUTSIDE ALBIOMA GROUP

Compagnie du Ponant SAS	Member of the Supervisory Board
Crédit Agricole SA ¹	Director
Crédit Agricole SA ¹	Member of the Risk Committee
Crédit Agricole SA ¹	Member of the Remuneration Committee
Crédit Agricole Indosuez Wealth Management SA	Director
Kering SA ¹	Chief Sustainability Officer and Head of International Institutional Affairs
Kering SA ¹	Member of the Executive Committee
Transition (SPAC) SA ¹	Director

Other offices and positions held during the last five years, expired at 31/12/2021

Expiry

WITHIN ALBIOMA GROUP

None

OUTSIDE ALBIOMA GROUP

Crédit Agricole Corporate and Investment Banking (CACIB) SA	Director	2019
Crédit Agricole Corporate and Investment Banking (CACIB) SA	Chairwoman of the Risks Committee	2019
Saft Groupe SA ¹	Director	2018
Crédit Agricole Corporate and Investment Banking (CACIB) SA	Chairwoman of the Nomination Committee	2017

1. Listed company.

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

- Born on 18 August 1964, of French nationality
- Main position held outside the Group as of the date of filing of this Universal Registration Document (when the position held within the Group is not the main position): Chief Executive Officer of Elior Services
- Business address: Elior Services, Tour Égée, 11 allée de l'Arche, 92032 Paris La Défense
- Held 400 Albioma shares as of the date of filing of this Universal Registration Document

Born on 18 August 1964, Frank Lacroix is an engineer and a graduate from the École Centrale de Marseille. Chief Executive Officer of the regional trains division at SNCF from 2016 to 2020. He joined Elior Group in February 2021 as Chief Executive Officer of Elior Services. Frank Lacroix previously had a long career in the energy sector. Frank Lacroix was Chairman and Chief Executive Officer of Dalkia Group from 2011 to 2014, and a member of the Executive Committee of Veolia, where he held the positions of Head of Low Current and Public Lighting, Regional Operations Manager, Chief Operating and Technical Officer and CEO France for Dalkia Group. In July 2014, upon termination of EDF's and Veolia's strategic partnership with respect to Dalkia, he joined EDF Group and held the positions of Vice-President for R&D and Vice-President Europe in the International Division. He joined Albioma as a Director on 27 May 2019.

Other offices and positions held at 31/12/2021

WITHIN ALBIOMA GROUP

None

OUTSIDE ALBIOMA GROUP

Elior Services Propreté et Santé SA	Chairman and Chief Executive Officer
Elior Services FM SA	Chairman and Chief Executive Officer
Elior Réseaux SA	Chairman and Chief Executive Officer
Elior Services Support SA	Chairman and Chief Executive Officer
Égée Services IV SAS	Chairman
Égée Services V SAS	Chairman
Égée Services VI SAS	Chairman
Égée Services VII SAS	Chairman
Égée Services VIII SAS	Chairman
Égée Services IX SAS	Chairman
Égée Services X SAS	Chairman
Égée Services XI SAS	Chairman
Égée Services XII SAS	Chairman
Égée Services XIV SAS	Chairman

Other offices and positions held during the last five years, expired at 31/12/2021

Expiry

WITHIN ALBIOMA GROUP

None

OUTSIDE ALBIOMA GROUP

Union des Transports Publics et Ferroviaires	Director	2020
Fondation SNCF	Director	2020
E-Voyageurs.SNCF SAS	Director	2020

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

- Born on 26 November 1972, of French nationality
- Main position held outside the Group as of the date of filing of this Universal Registration Document (when the position held within the Group is not the main position): Chair of Genvia
- Business address: Albioma, Tour Opus 12, 77 esplanade du Général de Gaulle, 92914 La Défense Cedex
- Held 400 Albioma shares as of the date of filing of this Universal Registration Document

Florence Lambert joined CEA in February 2000 and held various managerial roles relating to renewable energy and energy storage systems. In 2006, she joined the French National Solar Energy Institute (CEA-INES) and launched the first research platform for stationary storage in Europe. In 2009, she developed the Transport division at CEA-LITEN, focusing on the development and integration of two key components: lithium-ion batteries and fuel cells. She played a key role in various low emission vehicle development projects in France. In 2013, as Director of the LITEN Institute (1,000 researchers), she led a team covering various technological fields: solar, transport, hydrogen, biomass and nano-materials. She was also responsible, from 2013 to 2018, for national industrial energy storage plans, under the responsibility of the Ministry for the Economy and the Ministry of Ecology. In June 2018, Florence Lambert was appointed Chairwoman of the Industry, Employment and Innovation Committee within the Board of Directors of the Syndicat des Énergies Renouvelables. In February 2019, she was appointed General Chair of the EU PVSEC 2019 conference following nomination and approval by the International Scientific Advisory Committee of EU PVSEC. On 1 March 2021, she became head of Genvia, a company specialised in electrolysis production. She joined Albioma as a Director on 27 May 2019.

Other offices and positions held at 31/12/2021**WITHIN ALBIOMA GROUP**

None

OUTSIDE ALBIOMA GROUP

Syndicat des Énergies Renouvelables	Chairwoman of the Industry, Employment and Innovation Committee within the Board of Directors
Hydrogen Refueling Solutions SA ¹	Director
Académie des Technologies	Member

Other offices and positions held during the last five years, expired at 31/12/2021**Expiry****WITHIN ALBIOMA GROUP**

None

OUTSIDE ALBIOMA GROUP

None

1. Listed company.

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

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

Ulrike Steinhorst, a German national, has extensive C-suite experience, particularly at EDF, Degussa/Evonik and EADS/Airbus, with her career focussed on international markets and particular emphasis on industry and strategy. She joined Électricité de France (EDF) in 1990 following time in the cabinet of the French Minister for Europe during the reunification of Germany. She held various positions at EDF before becoming responsible for the international subsidiaries of the Industry Division. She joined Degussa Group in Germany in 1999, before coming back to France in 2003 to head up the French operations. In 2007, she joined EADS as Chief of Staff to the Executive Chairperson. From 2012 to 2017, she was Head of Strategy, Planning and Finance at the Technical Division of Airbus Group. In 2017, she founded Nuria Consultancy. In parallel with her consultancy work, she is an Independent Director of various listed companies. Ulrike Steinhorst is a qualified German lawyer, holds an MBA from HEC, holds a DEA degree in public law (Paris II Pantheon University) and is a graduate of the Ecole Nationale d'Administration. She joined Albioma's Board as an independent Director in 2017.

Other offices and positions held at 31/12/2021

WITHIN ALBIOMA GROUP

None

OUTSIDE ALBIOMA GROUP

Franco-German Chamber of Commerce and Industry	Director
École des Mines – ParisTech	Director
Fabrique de l'Industrie	Member of the Orientation Committee
Mersen SA ¹	Director
Mersen SA ¹	Chairwoman of the Nomination, Remuneration and Governance Committee
Nuria Consultancy SAS	Chairwoman
Valeo SE ¹	Director
Valeo SE ¹	Member of the Governance, Nomination and Corporate Social Responsibility Committee, in charge of CSR
Valeo SE ¹	Member of the Remuneration Committee
Fonds de Revitalisation Industrielle Bourgogne-Franche-Comté	Member of the Management Committee

Other offices and positions held during the last five years, expired at 31/12/2021

Expiry

WITHIN ALBIOMA GROUP

None

OUTSIDE ALBIOMA GROUP

Valeo SE ¹	Chairwoman of the Strategy Committee	2021
Fonds d'Innovation dans l'Industrie (F2I, UIMM)	Director	2017
Airbus SE ¹	Head of Strategy, Planning, Finance, Corporate Technical Office	2017

1. Listed company.

2.3.2.2. Directors who ceased to hold office in the 2021 financial year

None.

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

2.3.3.1. Conditions for the preparation and organisation of the work of the Board of Directors and of the specialised Committees during the 2021 financial year

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

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

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

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

The Directors' Charter lays down a number of rules, in particular relating to ethics, applicable to Directors in the performance of their duties. It was most recently amended by the Board of Directors at its meeting on 21 April 2021 to bring the stock market ethics obligations of Directors into line with those arising from the application within the Group of its stock market ethics rules.

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

Preparation and organisation of meetings

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

For each meeting, a briefing dossier is prepared that contains the information and documents necessary to review the items of business on the agenda. The Directors receive the

dossier no later than 48 hours prior to the meeting, via a secure electronic system.

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

The representative of the Social and Economic Committee systematically receives notices of all meetings of the Board of Directors and may attend in a non-voting capacity. He/she receives the same information as the Directors.

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

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

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

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

Powers and status of the Chairman of the Board of Directors

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

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

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

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

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

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

Role of the Lead Independent Director

The role of Lead Independent Director was entrusted to Pierre Bouchut by the meeting of the Board of Directors of 24 October 2018, to take effect from the combining of the roles of Chairman of the Board of Directors and of Chief Executive Officer following the General Meeting of 27 May 2019.

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

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

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

He is closely involved in the selection of Board members.

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

Role of the Secretary of the Board of Directors

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

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

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

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

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

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

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

Principles of collegiality and confidentiality

The Board of Directors is a collegial body. Its decisions have always resulted from a consensus, reached among its members following in-depth discussions on the topics submitted to it. Since 2012, all decisions of the Board of Directors have been adopted unanimously by the voting Directors.

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

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

Remit of the Board of Directors

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

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

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

Meetings of the Board of Directors and work in 2021

Pursuant to the Internal Regulations of the Board of Directors, the Directors undertake to devote the necessary time and attention to their duties. When accepting a new office, they must ensure that they continue to be able to fulfil this commitment. The Board of Directors met nine times in 2021, the same as in 2020. The average attendance rate of Directors at Board meetings was 100% during the financial year, compared with 99% in 2020¹. The table below presents individual attendance rates for each Director at meetings of the Board of Directors and specialised Committees during the 2021 financial year:

	Board of Directors	Commitments Committee	Nomination, Remuneration and Governance Committee	Audit, Accounts and Risks Committee	Corporate Social Responsibility Committee
DIRECTORS IN OFFICE AS AT 31/12/2021					
Frédéric Moyne	100.00%	n/a	n/a	n/a	n/a
Jean-Carlos Angulo	100.00%	100.00%	n/a	n/a	100.00%
Pierre Bouchut	100.00%	n/a	100.00%	100.00%	n/a
Bpifrance Investissement	100.00%	100.00%	100.00%	100.00%	n/a
Marie-Claire Daveu	100.00%	n/a	100.00%	n/a	100.00%
Frank Lacroix	100.00%	100.00%	n/a	100.00%	n/a
Florence Lambert	100.00%	n/a	n/a	n/a	100.00%
Ulrike Steinhorst	100.00%	n/a	100.00%	n/a	100.00%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

The independent Directors receive remuneration comprising a large variable component linked to their effective attendance at meetings of the Board of Directors and specialised Committees on which they sit (see additional information in Section 2.4.2.5 on pages 138 *et seq.* of this Universal Registration Document).

Strategic orientations and monitoring of implementation

At the 2021 annual seminar held by the Board of Directors, which discussed the implementation of the strategy and the adjustment of the medium and long-term strategic options, the Board reaffirmed the strategy implemented while expressing a desire to speed up the diversification of the Group's activities. The Board of Directors thus reaffirmed:

- the Group's positioning, built around the development, construction and operation of medium power renewable energy production units that supply high-quality power underpinning the security and stability of the power grids and the organisation and improvement of the competitiveness of upstream agricultural sectors, and split into three business activities, biomass conversion, solar energy production and geothermal as part of strategic complementarity;
- the three cornerstones of the strategy:
 - the contribution to the energy transition of the overseas departments and regions, which will be primarily

underpinned by the conversion of the historic thermal plants to biomass;

- the rolling out of the Group's expertise internationally with continued development in Brazil and the goal of expanding the Group's footprint to new regions and developing other forms of renewable energy, in particular geothermal;
- the acceleration of the development of the photovoltaic sector.

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

The Board's work in 2021 therefore specifically focused on development, complementing the work of the Commitments Committee. More specifically, the Board worked on the following:

- monitoring the roll-out of the conversion of the Group's overseas bagasse / coal thermal plants to biomass, in particular the Bois-Rouge and Le Gol plants on Reunion Island;
- opportunities to use solid recovered fuel (SRF) at the Bois-Rouge plant, associated with the latter's conversion to biomass;
- various development opportunities in the geothermal space, this work in particular leading to approval, at end-2021, for the acquisition of the Kuyucak plant in Turkey;
- the project to expand the Albioma Codora Energia plant in Brazil;
- the development of the Solar Power business, both in metropolitan France (participation by the Group in calls for tenders by the Commission de Régulation de l'Énergie [French energy regulator] in metropolitan France and in the Overseas departments, and the continued expansion of the portfolio of roof-top projects with a unit capacity of under 100 KWp included within the scope of the mandatory purchase regime) and in Brazil (exploration of opportunities to develop solar projects using a decentralised production model);
- the authorisation to acquire the wood pellet production unit at La Granaudière in Canada.

The Board also considered more specific strategic matters such as the development of a strategy to green the mix on Mauritius, or indeed the capital allocation strategy in Brazil.

Monitoring of operating performances

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

In this respect, the Board of Directors specifically focussed on the following in the 2021 financial year:

- the operational impact of the cyber-attack the Group suffered during the year;
- the performance of the Group's first geothermal plant in Turkey;
- the progress on the conversion of the Bois-Rouge plant to biomass;
- the monitoring of a number of technical incidents affecting the plants on Reunion Island.

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

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

In 2021, the Board of Directors examined and approved the 2020 individual and consolidated financial statements with a view to their presentation to the General Meeting of 25 May 2021. It also reviewed and approved the consolidated financial statements for the first half of the 2021 financial year, and reviewed the results for the first and third quarters of the financial year, prior to the publication of each.

Alongside its work on strategic matters, the Board of Directors reviewed and approved the 2022 budget and the business plan for 2022-2026. It also reviewed and approved the objectives for EBITDA and net income, Group share, presented to the market for the 2021 financial year.

The Board of Directors was also kept regularly informed of the Group's cash position and funding needs. The Group's ongoing capex programme prompted the Board of Directors to review various financing matters (financing of the Group's commitments regarding the conversion of the Bois-Rouge plant on Reunion Island to biomass, arrangement of corporate financing facilities).

The Board of Directors also kept a close eye on the authorised investment budgets, given the high level of current commitments, in particular regarding the conversion of the Bois-Rouge plant to biomass and the takeover of the Gümüşköy geothermal plant in Turkey.

Risk management and internal control

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

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

- monitoring the impact of the cyber-attack the Group suffered during the year;

- the impact of the very sharp rise in the price of coal and CO₂ during the year, both in terms of the operational performance of the plants (inversion of the merit order resulting in a sharp reduction in the usage levels of the thermal plants on Reunion Island and a deterioration in their efficiency) and in terms of procurement;
- the potential impact of the 2021 Finance Act, which allows for the revision of tariffs in purchase agreements for PV-generated electricity signed between 2006 and 2010 (for further details see Section 3.2.2.2 on page 152 of this Universal Registration Document).

Human resources

2021 saw the Board of Directors work on:

- reviewing the results of the Group's first engagement survey and the associated action plans;
- gender equity and increasing the proportion of female managers.

Sustainable development

In conjunction with the work of the Corporate Social Responsibility Committee, in 2021 the Board of Directors regularly monitored the implementation of the Group's sustainable development policy.

The Board of Directors reviewed and approved the employment, environmental and social information published in the Universal Registration Document for the 2020 financial year, as required by applicable laws and regulations.

In addition, the Board of Directors and the Corporate Social Responsibility Committee devoted much time and energy throughout 2021 to:

- staff safety, 2021 having seen an insufficient improvement of the frequency of workplace accidents. This led the Board of Directors at the start of the 2021 financial year to ask for a Groupwide audit to rapidly identify and implement corrective actions;
- the monitoring of commitments made by Group in its corporate social responsibility roadmap;
- the results of the V.E audit undertaken by the Group in 2021;
- the challenges, in terms of sustainable development, raised by the biomass conversion of the thermal plants in the French Overseas departments, in particular regarding the development of the local biomass industry and the sustainability of imported biomass, notably in light of the coming into force of the "RED II" European Directive and the draft "RED III" directive;

- the monitoring of the roll-out of a training plan for Group employees addressing the energy transition;
- the monitoring of the Group's efforts to maximise the local spin-offs from its projects, particularly in terms of the project to convert the Bois-Rouge plant on Reunion Island to biomass;
- progress on the roll-out of the sponsorship strategy, in line with the plans to establish a company foundation set in motion in 2020.

Corporate governance

The Board of Directors repeatedly came back to corporate governance throughout 2021. Its work primarily focussed on:

- reviewing the plan to stagger the reappointment of Directors, which resulted in a proposal to amend the Articles of Association being submitted to the General Meeting of 25 May 2021;
- reviewing the independence of Directors and potential conflicts of interest to which they may be exposed;
- considering the report by the Board of Directors on corporate governance for the 2020 financial year;
- reappointing Frédéric Moyne as Chairman of the Board of Directors and reaffirming the Company's unitary corporate governance model;
- assessing the operation of the Board of Directors;
- reviewing proposed amendments to the Directors' Charter as regards the stock market ethics rules applicable to Directors.

The non-executive directors also met once in an executive session, facilitated by the Lead Independent Director. This meeting in particular gave Directors the opportunity, without the Chairman and Chief Executive Officer being in attendance, to approve the succession plan for the Chairman and Chief Executive Officer in the event of an emergency, and to raise various strategic matters.

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

The Board of Directors regularly looked at the remuneration of corporate officers and the long-term incentive schemes for employees in 2021. This particularly focussed on:

- Assessing the Chairman and Chief Executive Officer's performance in respect of the 2020 financial year, mainly for the purpose of determining the amount of the variable portion of his remuneration in respect of said year;
- determining the remuneration of the Chairman and Chief Executive Officer for the 2021 financial year, and mainly for the purposes of setting the targets used to determine the variable portion of his remuneration for that financial year;

- the application in 2021 of the remuneration policy for non-executive Directors;
- the ongoing application of the long-term incentive scheme for the 2018-2020 period (recording of the achievement of the performance conditions set out in the rules of the “2018” bonus performance share plan) and for the 2021-2023 period (introduction of the “2021” bonus performance share plan);
- the carrying out, pursuant to the powers granted by the General Meeting of 29 May 2020, of a capital increase reserved for members of the group savings plan and the international group savings plan called “Albioma Invest 2021” (for additional details see Section 6.3.4 on page 279 of this Universal Registration Document).

Shareholder governance, relations with the financial community and share performance, capital transactions

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

The Board of Directors was also involved in the preparation of the General Meeting of 25 May 2021 in addition to the preparation of the draft resolutions and associated report. The Board of Directors primarily reviewed the documents prepared for the discussions held with providers of voting recommendations services and institutional shareholders, who explained their positions regarding the more sensitive resolutions with the Board, prior to the General Meeting and the arrangements for the General Meeting in light of the realities of the Covid-19 pandemic.

The Board of Directors finally reviewed the conditions for the admission to trading of the warrants issued in 2018 as they moved into their exercise period.

Work of the specialised Committees

The Commitments Committee

Remit

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

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

Membership and operating procedures

At 31 December 2021, the Commitments Committee was comprised of three Directors, two of whom were independent, including the Committee Chairman:

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

The Committee's composition was not modified during the 2021 financial year.

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

Meetings and work in 2021

In 2021, the Commitments Committee met six times, thus similar to 2020. The attendance rate of members at Committee meetings was 100% in the 2021 financial year, as in 2020¹.

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

- the commitments as part of the project to convert to biomass and ensure the sustainability of the Gol plant on Reunion Island;
- various development opportunities in the geothermal space, in particular leading to approval, at end-2021, for the acquisition of the Kuyucak plant in Turkey;
- the development of the project to expand the Albioma Codora Energia plant in Brazil;
- the development of the Solar Power business, both in metropolitan France (participation by the Group in calls for tenders by the Commission de Régulation de l'Énergie [French energy regulator] and in the Overseas departments, and the continued expansion of the portfolio of roof-top projects with a unit capacity of under 100 KWp included within the scope of the mandatory purchase regime, review of various acquisition opportunities) and in Brazil (exploration of opportunities to develop solar projects using a decentralised production model);
- the opportunity to acquire the wood pellet production unit at La Granaudière in Canada.

The Commitments Committee reported to the Board of Directors on all its work during 2021.

Audit, Accounts and Risks Committee

Remit

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

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

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

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

Membership and operating procedures

At 31 December 2021, the Audit, Accounts and Risks Committee had three Directors, two of whom were independent Directors, including the Committee Chairman:

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

The Committee's composition was not modified during the 2021 financial year.

Given their professional experience, all members of the Audit, Accounts and Risks Committee in office as at 31 December 2021 have proven specific capability in accounting and financial matters (see additional information in Section 2.3.2.1 on pages 101 et seq of this Universal Registration Document).

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

The dossiers are generally presented by the Chief Financial Officer or the Chief Executive Officer, assisted, where applicable, by members of their teams responsible for the dossiers presented (and in particular by members of the internal audit function). The Statutory Auditors are invited to attend each Committee meeting, except for those that consider the renewal of their appointment and those that review the conditions under which they exercise their external audit duties and, more specifically, review their independence. The Secretary of the Board of Directors acts as Committee Secretary.

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

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

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

Meetings and work in 2021

In 2021, the Audit, Accounts and Risks Committee met four times, i.e., the same as in 2020. The attendance rate of members at Committee meetings was 100% in 2021, compared to 92% in 2020¹.

In anticipation of the approval of the parent company and consolidated financial statements for the 2020 financial year and the approval of the condensed consolidated financial statements for the first half of the 2021 financial year, the Committee reviewed significant events over the period, the main closing points, the key figures appearing in the financial statements, the cash position and the Group's level of debt. It paid particular attention to the main accounting options used by General Management, the results of the goodwill impairment tests and the provisions for liabilities and impairment. In this regard, the Committee heard the Statutory Auditors, who presented the findings of their audit or, as applicable, their limited review. The Committee also reviewed the objectives for EBITDA and net income, Group share, proposed by General Management, with a view to their presentation to the market.

The Committee also reviewed the quarterly results (Q1 and Q3 2021) prior to publication of the corresponding quarterly financial information.

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

- conducted a detailed review of the Group's risk mapping, the main changes to its risk profile and associated risk management action plans, as well as the Group's insurance programme;
- monitored the internal audit function, the Committee's work having mainly consisted of ensuring the proper implementation of the action plans drawn up as a result of previous audits it had commissioned. It also examined the audit reports produced in connection with the 2021 audit plan in respect of which it had, in conjunction with

General Management, approved the corrective action plans to be implemented and ultimately drew up the 2022 internal audit plan.

Lastly, the Audit, Accounts and Risks Committee devoted some of its time to reviewing the advisability of reappointing the Statutory Auditors, whose term of office will expire on 25 May 2022.

The Audit, Accounts and Risks Committee reported to the Board of Directors on all its work during 2021.

The Nomination, Remuneration and Governance Committee

Remit

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

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

More generally, the Nomination, Remuneration and Governance Committee also reviews a range of problems impacting the Group's human resources. As such, it is notably required to express an opinion on the Group's remuneration policy and on changes in the remuneration of the main senior managers, whose succession plans it also reviews. The Committee's remit also encompasses employee savings schemes and long-term incentive schemes for employees (bonus performance share plans).

Membership and operating procedures

At 31 December 2021, the Nomination, Remuneration and Governance Committee had four Directors, three of whom were independent Directors, including the Committee Chairwoman:

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

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

The Committee's composition was not modified during the 2021 financial year.

In the absence of a Director representing employees on the Board of Directors, the Nomination, Remuneration and Governance Committee did not have any employee Directors as at 31 December 2021.

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

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

Meetings and work in 2021

In 2021, the Nomination, Remuneration and Governance Committee met twice, the same as in 2020. The attendance rate of members at Committee meetings was 100%, as in 2020¹.

The Committee's key areas of work in 2021 included:

- the corporate officers' remuneration packages (review of performance and components of the variable remuneration payable to the Chairman and Chief Executive Officer for the 2020 financial year, remuneration policy for corporate officers for the 2021 financial year, terms of the Chairman and Chief Executive Officer's variable remuneration for the 2021 financial year and definition of his targets);
- reviewing the succession plans for the Group's Chairman and Chief Executive Officer and top management, in line with the parallel implementation of the talent management plan developed by General Management;

- the ongoing implementation of the employee long-term incentive scheme for the 2018-2020 period and for the 2021-2023 period;
- carrying out of a second capital increase reserved for members of the group savings plan and the international group savings plan, pursuant to the powers granted to the Board of Directors by the General Meeting of 29 May 2020;
- the introduction of a mechanism for staggering the reappointment of sitting Directors.

The Nomination, Remuneration and Governance Committee reported to the Board of Directors on all its work during 2021.

Corporate Social Responsibility Committee

Remit

The remit of the Corporate Social Responsibility Committee is determined by the Internal Regulations of the Board of Directors. The Committee is tasked with evaluating the Group's corporate social responsibility strategy and policy, monitoring the programmes implemented and the priority actions taken in this respect and reviewing the results, examining key opportunities and the Group's main social and environmental risks with respect to issues inherent to its strategy and activities, examining the Group's non-financial performance and reviewing the information published by the Group in this respect, and finally monitoring the application of the ethics rules defined by the Group.

Membership and operating procedures

As at 31 December 2021, the Corporate Social Responsibility Committee had four Directors, all of whom are independent:

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

The Committee's composition was not modified during the 2021 financial year.

Except in exceptional circumstances, the Chairman and Chief Executive Officer is asked to attend Committee meetings.

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

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

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

Meetings and work in 2021

In 2021, the Corporate Social Responsibility Committee met three times, i.e., the same as in 2020. The attendance rate of members at Committee meetings was 100%, as in 2020¹.

In 2021, the Committee's work mainly involved:

- reviewing the Group's non-financial performance in 2020, prior to the publication of the employment, environmental and social information in the 2020 Universal Registration Document;
- the Group's non-financial performance rating by V.E ;
- the roll-out of the CSR roadmap, the Committee having particularly focussed on defining the top priority actions for the 2021 financial year;
- employee safety, the Committee having closely tracked the Group's relevant performance indicators, as well as the establishment of action plans following the safety audit undertaken within the Group at the request of the Board of Directors;
- monitoring environmental regulatory compliance;
- the challenges associated with the coming into force, during the year, of the so-called "RED II" directive on renewable energy and the potential impact of its revision by the so-called "RED III" directive;
- the challenges associated with the regionalisation of imported biomass fuel, the development of local biomass supply chains, and the sustainability criteria for imported biomass;
- the review of the Group's climate strategy;
- the maximisation of the local spin-offs from Group projects, particularly in terms of the project to convert the Bois-Rouge plant on Reunion Island to biomass.

The Corporate Social Responsibility Committee reported to the Board of Directors on all its work during 2021.

2.3.3.2. Assessment of the operation of the Board of Directors

Assessment frequency and methods

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

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

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

The assessment in 2021 was done by the Lead Independent Director and by the Chairwoman of the Nomination, Remuneration and Governance Committee with the support of an outside consultant. The assessment in 2022 was done by the Lead Independent Director and by the Chairwoman of the Nomination, Remuneration and Governance Committee.

Findings of the 2021 assessment by an outside consultancy

At its 21 April 2021 meeting, the Board of Directors assessed its functioning on the basis of an assessment process coordinated by the Lead Independent Director and the Chairwoman of the Nomination, Remuneration and Governance Committee with the support of an outside consultancy, the NB Lemerrier et Associés firm. On the basis of the latter's report, the Board of Directors thus identified new areas for improvement in its functioning in the context of an action plan coordinated by the Secretary of the Board of Directors overseen by the Lead Independent Director and the Board of Directors.

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

The report shows that the Board of Directors operates effectively and in an optimal and confident way, reflecting the collective intelligence and the complementarity of the individual mindsets, which are seen as real assets for this body.

The following main areas of improvement were identified and an action plan has been drawn up for implementation in 2021. It goes without saying that a certain number of the areas for improvement identified had already been addressed by measures taken following the assessment done in 2020:

- endeavour to find a proper balance on the Board of Directors between the extent of operational requirements of the Group's business and the space for strategic reflection called for by virtue of the challenges it is facing;
- spend more time discussing strategic matters by considering different timeframes (from short to long-term) and by incorporating cutting edge thinking;
- set aside time for informal discussions in the work programme of the Board of Directors;
- encourage facility visits, possibly taking advantage of trips made by the Chairman and Chief Executive Officer;
- systematically hold two executive sessions per year;
- continue to involve the operating teams and key talent in presentations to the Board of Directors and make space for informal discussions with key managers;
- draw up a formal ad hoc on-boarding programme for new Directors;
- hold the meetings in such a way that the Directors can read the minutes of the specialised Committees before Board meetings;
- in the case of meetings held by video-conferencing, ensure all Directors get a say;
- involve the Board of Development in the development of Group talent in response to market challenges and expectations (increasing percentage of women in the management team, succession plans etc.).

Findings of the assessment done in 2022 by the Lead Independent Director and the Chairwoman of the Nomination, Remuneration and Governance Committee

At its 1 March 2022 meeting, the Board of Directors assessed its functioning on the basis of an assessment process coordinated by the Lead Independent Director and the Chairwoman of the Nomination, Remuneration and Governance Committee. On the basis of the latter's report, the Board of Directors thus identified new areas for improvement in its functioning in the context of an action plan coordinated by the Secretary of the Board of Directors overseen by the Lead Independent Director and the Board of Directors.

Broadly speaking, this assessment found that Albioma continues to enjoy a high standard of governance, the Directors having noted in this respect that it continues to improve, the action plan set out following the assessment of the operation of the Board of Directors the previous year having been for the most part implemented.

The main areas for improvement as determined by the Board of Directors are as follows:

- more frequent monitoring of the strategic environment (analysis of competitors and relative performance, technological developments, public policy, changes to ecosystems, new business risks...);
- occasional inclusion of thematic presentations to find a better balance between operational and strategic matters;
- development of one or two short seminars on major strategic issues;
- holding of thematic meetings to discuss strategic direction in more depth, having regard to the Group's characteristics.

They will be held in 2022.

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

Introduction

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

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

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

For the purposes of these Internal Regulations:

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

In the absence of details, the provisions applicable to the Chairman of the Board of Directors and the Chief Executive Officer when these roles are split apply in exactly the same way when these roles are merged to Chairman and Chief Executive Officer.

The Internal Regulations are for internal use and do not replace the Company’s Articles of Association, but implement them in a practical manner. This means that they are not binding on third parties. Shareholders will be informed of the existence of the Internal Regulations in the Company’s Registration Document and on the Company’s website.

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

1. Membership of the Board of Directors

The Board of Directors shall have at least three members and no more than twelve members, subject to laws governing mergers. To the extent possible, a majority of the members of the Board of Directors should be independent Directors.

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

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

The Board of Directors shall regularly review its membership. Once a year, it shall assess its operation, assisted by an external consultant if need be. The findings of this assessment shall be recorded in writing at least every three years.

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

2. Powers of the Board of Directors

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

- determining the strategic business policies of the Company and its Group, and ensuring they are carried out;
- authorising the furnishing of sureties, pledges and guarantees;
- authorising so-called ‘related-party’ agreements and undertakings before they are concluded, in accordance with applicable laws and regulations and the Articles of Association;
- preparing and approving the parent company and consolidated financial statements, as well as half-yearly financial statements;
- reviewing interim management documents;
- authorising all major investments, with the exception of capital expenditure for maintenance work, necessary for industrial projects or proposed acquisitions during the year and, if applicable, the financing thereof;

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

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

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

3. Operation of the Board of Directors

3.1. Meetings of the Board of Directors

The Board of Directors shall meet as often as required by the Company's interests, and at least four times per year, at the registered office or any other place specified in the notice of meeting. Once every financial year, the Directors shall meet prior to the approval of the annual budget and the medium-term business plan in order to review the strategic business policies.

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

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

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

3.2. Information provided to Directors

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

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

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

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

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

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

Directors shall also regularly receive all important information concerning the Company and its Group, and shall be informed of any event or change that significantly affects the transactions or information previously reported to the Board. In addition, the Directors shall be provided with the Company's press releases, as well as with significant press articles and financial analysis reports.

The Directors may meet the Group's main managers, if appropriate without the presence of the Chairman of the Board of Directors and the Chief Executive Officer, provided they submit a request for such meeting to the Chairman of the Board of Directors, who will inform the Chief Executive Officer thereof.

3.3. Proxies

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

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

3.4. Proceedings

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

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

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

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

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

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

3.5. Participation at meetings by video-conferencing or other means of telecommunication

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

- Video-conferencing systems or other means of telecommunication may be used at all meetings of the Board of Directors. However, in accordance with the provisions of Article L. 225-37 (3) of the French Commercial Code, these methods of participation may not be used to prepare the annual financial statements and the management report, or the consolidated financial statements and the Group management report.
- Before proceedings commence, it must be ensured there are no third parties, microphones or any other item that would impinge on the confidential nature of proceedings.
- Each participant must be able to speak and to hear what is said.
- The video-conferencing system or other means of telecommunication used must have technical features enabling them to continuously and simultaneously retransmit the proceedings so as to enable Directors to actually take part in the Board's proceedings.

In the event the chairman of the meeting notes a malfunction of the video-conferencing system or means of telecommunication, the Board of Directors may validly deliberate and/or continue the meeting with only the members who are physically present, provided the quorum requirement is met.

3.6. Attendance sheets

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

3.7. Minutes

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

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

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

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

If applicable, the minutes shall record any dissenting opinions expressed by the Directors.

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

4. Chairman of the Board of Directors

The Chairman of the Board of Directors shall organise and oversee the work of the Board of Directors. When he calls a meeting of the Board of Directors, he shall draw up the agenda for the meeting with the assistance of the Chief Executive Officer. He shall ensure that the documentation supplied to the Directors prior to the meeting enables them to express opinions on the matters put to them in full knowledge of the facts.

The Chairman of the Board of Directors shall coordinate the work of the Board of Directors and that of its Committees.

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

Moreover, when the roles of Chairman of the Board of Directors and of Chief Executive Officer are split, the Chairman of the Board of Directors is tasked with:

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

For the purpose of the above duties:

- the Chief Executive Officer shall provide the Chairman of the Board of Directors with regularly updated information on the Group's affairs, the implementation of its strategies and the main investment projects;
- whenever he deems this necessary, the Chairman of the Board of Directors shall be entitled to obtain from the Chief Executive Officer any information that might shed light on the work of the Board of Directors and its Committees;
- the Chief Executive Officer may seek the opinion of the Chairman of the Board of Directors on any topic, including in particular strategy, communication and governance;
- the Chief Executive Officer shall systematically consult the Chairman of the Board of Directors with regard to the definition of strategic business policies before they are put to the Board of Directors for approval.

5. Lead Independent Director

5.1. Appointment of the Lead Independent Director

In the absence of the splitting of the roles of Chairman of the Board of Directors and of Chief Executive Officer, the Board of Directors appoints a Lead Independent Director from amongst the independent Directors. The Lead Independent Director is appointed for the term of office as Director. He may be re-elected. The Chairman of the Board of Directors may not be the Lead Independent Director.

5.2. Duties of the Lead Independent Director

5.2.1. Monitoring the proper functioning of the Board of Directors

The Lead Independent Director tracks the proper functioning of the Company's governance bodies and is free to make any proposal or recommendations he sees fits.

He ensures that Directors receive the information they need to carry out their duties in the best possible manner.

He assists the Board of Directors and the Nomination, Remuneration and Governance Committee with the evaluation of the work of the Board of Directors, where necessary retaining an outside consultant.

5.2.2. Organisation of the work of the Board of Directors and relations with Directors

The Lead Independent Director may ask the Chairman of the Board of Directors to call a meeting of the Board of Directors with a specific agenda.

He may also ask the Chairman of the Board of Directors to add items to the agenda of any meeting of the Board of Directors.

Where applicable, the Lead Independent Director shall:

- coordinate the work of the independent Directors and, more broadly, where necessary, all work by Directors done in the absence of corporate officers;
- represent, insofar as necessary, the Board of Directors, particularly vis-à-vis shareholders, on matters pertaining to his duties.

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

He is closely involved in the selection of Board members.

5.2.3. Prevention and management of conflicts of interests

The Lead Independent Director takes preventive measures, together with the Chairman of the Board of Directors, to raise awareness amongst the Chairman and Chief Executive Officer and other Board members regarding situations likely to give rise to conflicts of interest.

He notifies the Board of Directors regarding any potential conflicts of interest involving Directors that were brought to his attention or of which he became aware and helps manage them.

6. The Secretary of the Board of Directors

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

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

The Secretary of the Board of Directors shall assist the Chairman of the Board of Directors and the chairmen of the specialised Committees in the organisation of the work of the Board of Directors and the specialised Committees, and in this respect the Secretary shall:

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

Directors may seek the assistance of the Secretary of the Board of Directors for the performance of their duties, including their reporting obligations, in particular with regard to

the market authorities, and to obtain clarifications concerning their obligations and duties.

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

7. Committees of the Board of Directors

The Board of Directors may set up Committees comprised of Directors, or managers, or of both Directors and managers of the Company. Committee members, who shall be appointed by the Board of Directors, shall be tasked with studying the matters that the Board or its Chairman submit for their review.

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

- the Audit, Accounts and Risks Committee;
- the Nomination, Remuneration and Governance Committee;
- the Commitments Committee;
- the Corporate Social Responsibility Committee.

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

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

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

8. Audit, Accounts and Risks Committee

8.1. Membership

The Audit, Accounts and Risks Committee shall have at least two Directors. At least two-thirds of the Committee's members must be independent Directors.

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

The Committee shall not include any corporate officers of the Company.

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

8.2. Operating procedures

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

The agenda for Committee meetings shall be prepared under the responsibility of its chairman, in collaboration with the Chairman of the Board of Directors and the Chief Executive Officer.

The Committee shall receive all items, documents and information necessary for the performance of its duties.

The Committee may interview the Chairman of the Board of Directors and the Chief Executive Officer, and its chairman may invite them to its meetings. It may also interview, with or without the presence of the Chairman of the Board of Directors and the Chief Executive Officer, the Directors, the Chief Operating Officers, the heads of internal control and internal audit, and the external auditors of the Company and its subsidiaries. In all other cases, it must request authorisation from the Chief Executive Officer before interviewing any senior managers in the Group.

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

The Committee shall report on the performance of its duties to the Board of Directors, in particular through the briefings provided by its chairman and by providing Directors with the minutes of its meetings, which shall state whether its members were present or absent and record any dissenting opinions expressed by its members.

8.3. Powers

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

The Committee shall report on the performance of its duties to the Board of Directors, in particular through briefings provided by its chairman and by providing Directors with the minutes of its meetings, which shall state whether its members were present or absent and record any dissenting opinions expressed by members.

8.3.1. Monitoring the process for preparing financial information

The Audit, Accounts and Risks Committee monitors the process for preparing financial information. To that end, it receives all relevant information on the financial position, financial policy and financial strategy of the Company and

its subsidiaries, and on the procedures used to prepare, collect, analyse and verify accounting and financial information; it also reviews communications of the Company and its subsidiaries on accounting and financial matters.

It shall review all issues of an accounting or financial nature submitted to it by the Chairman of the Board of Directors, General Management or the statutory auditors. In particular, it shall review the compliance of the accounting measurements and choices made by General Management with applicable accounting standards and rules as regards, in particular, the fair presentation, transparency, clarity and consistency over time of financial information.

8.3.2. Monitoring the effectiveness of internal control and risk management systems

The Audit, Accounts and Risks Committee shall review the organisation of the internal control systems and ensure the application of the internal control procedures in force within the Company and its subsidiaries. It shall review the work and analyses carried out in this respect and, in particular, the reports issued by the internal audit function.

It shall review the procedures used to identify and monitor risks and, more generally, monitor the risks identified, their classification and the prevention and action plans drawn up by General Management with the aim of managing said risks.

It shall review the content of the report of the Board of Directors on corporate governance drawn up in accordance with Article L. 225-37 of the French Commercial Code on the internal control and risk management procedures implemented within the Company.

8.3.3. Monitoring the annual and half-yearly financial statements and quarterly financial information

For the purposes of preparing the Company's annual and consolidated financial statements and the quarterly financial information, the Audit, Accounts and Risks Committee receives all relevant information on the consolidation scope, and the accounting methods and control procedures used.

It reviews these financial statements and, in particular, analyses provisions, risks and significant off-balance sheet commitments. It shall receive all relevant information on the accounting positions taken in recording significant transactions and shall review the major transactions that may have resulted in a conflict of interests.

In this context, it shall carry out a preliminary review of the draft accounting documents presented to the Board of Directors and issue for its attention recommendations as to whether said documents should be approved.

8.3.4. Monitoring the conditions for exercise of the duties of the external auditors

The Audit, Accounts and Risks Committee supervises the procedure for selecting or reappointing Statutory Auditors; it determines whether there is a need to call for tenders, in accordance with applicable laws and regulations.

It reviews the manner in which they perform their audit duties and monitors their audit or review of the Company's financial statements.

It verifies the independence of the Statutory Auditors; to that end, it receives all relevant information on fees paid to them and the members of their networks, and also receives the Statutory Auditors' updated declarations of independence. It shall be responsible, in accordance with the terms laid down by the Board of Directors and with applicable laws and regulations, for giving prior approval in respect of any services provided other than the certification of the financial statements by the statutory auditors and the members of their networks, following an analysis of the risks to their independence in the event such services are provided.

9. The Nomination, Remuneration and Governance Committee

9.1. Membership

The Nomination, Remuneration and Governance Committee shall have at least two and not more than five Directors. At least half of its members must be independent Directors.

No corporate officer may sit on the Committee. However, the Chairman of the Board of Directors and the Chief Executive Officer shall collaborate closely with it.

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

9.2. Operating procedures

The Nomination, Remuneration and Governance Committee shall meet before each meeting of the Board of Directors at which matters falling within its remit are to be discussed, and in any event at least three times a year, including once before meetings of the Board of Directors at which the performance of the Chairman and Chief Executive Officer over the previous financial year is to be reviewed and their remuneration for the current financial year is to be determined.

The agenda for Committee meetings shall be prepared under the responsibility of its chairman, in collaboration with the Chairman of the Board of Directors and the Chief Executive Officer.

The Committee may interview the Chairman of the Board of Directors and the Chief Executive Officer, and its chairman may invite them to its meetings. They shall not attend meetings at which their personal situations will be discussed. It may also interview, with or without the presence of the Chairman of the Board of Directors and the Chief Executive Officer, the Directors, the Chief Operating Officers and the Human Resources Director. In all other cases, it must request authorisation from the Chief Executive Officer before interviewing any senior managers in the Group.

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

The Committee shall report on the performance of its duties to the Board of Directors, in particular through the briefings provided by its chairman and by providing Directors with the minutes of its meetings, which shall state whether its members were present or absent and record any dissenting opinions expressed by its members. A summary of the Committee's findings and recommendations shall be presented by its chairman for discussion and decision-making at the next meeting of the Board of Directors.

9.3. Powers

9.3.1. As regards remuneration

The Committee's duties are to:

- review the performance and all the components of remuneration, including the allotment of options to subscribe and/or purchase shares and the allotment of bonus shares or any other means of deferred remuneration, pension benefits, benefits in kind and, in general, the employment conditions, of the Chairman of the Board of Directors and the Chief Executive Officer, as well as any other corporate officer, and make recommendations on such matters to the Board of Directors;
- review the remuneration and pension policy applicable to senior managers and, in particular, to the Executive Committee;
- review the proposals of General Management regarding allotments of bonus shares and other share-based incentive schemes benefiting the Group's employees and propose their allotment to the Board;
- propose to the Board rules for allocating the remuneration and the individual amounts to be paid to the Directors in this respect, based on their duties and actual attendance at Board and Committee meetings;

- propose to the Board a total amount of remuneration, which will be proposed to the Company's General Meeting;
- review proposed capital increases reserved for employees;
- review the documents intended for shareholders as part of the procedures for approval by the General Meeting of the components of remuneration owed or awarded to corporate officers and the remuneration policy;
- review any matter submitted to it by the Chairman of the Board of Directors relating to the above matters.

9.3.2. As regards nominations and governance

The Committee's duties are to:

- concerning the Board of Directors:
 - make proposals to the Board regarding the reappointment or nomination of Directors. The Committee shall look for new members based on its needs assessment and the assessment made by the Board, and taking into account the principle of balanced representation on the Board, such as gender balance, nationality, international experience, market or business expertise, working or retired, etc.;
 - nominate a Lead Independent Director to the Board in the scenarios provided for in the Internal Regulations;
 - make proposals to the Board regarding the creation and membership of the Board's Committees;
 - periodically assess the structure, size and membership of the Board and submit recommendations to it regarding possible changes;
 - periodically review the criteria applied by the Board to classify a Director as independent; once a year, it shall review each Director's situation on a case-by-case basis according to the criteria applied, and make proposals to the Board;
- concerning the Chairman of the Board of Directors and the Chief Executive Officer:
 - consider, as necessary and particularly at the end of the term of office, the advisability of renewing the term of office of the Chairman and the Chief Executive Officer;
 - review changes in their duties and, where applicable, provide for renewal solutions;
 - review the succession plan for corporate officers (including any Chief Operating Officers) applicable, in particular, in case of an unforeseen vacancy;

- more generally, be kept informed by the Chief Executive Officer of anticipated changes in management resources (particularly the Executive Committee);

- concerning governance:

- review, at the time of reappointment of the Chairman and the Chief Executive Officer or when a request along these lines is made by Directors, whether it is appropriate to keep the roles separate or merge them;
- review changes in the corporate governance rules, particularly within the framework of the corporate governance guidelines applied by the Company, and inform the Board of its findings;
- monitor the application of the corporate governance rules defined by the Board and ensure that information is given to shareholders in this regard;
- prepare for the assessment of the Board's operation as provided in the Internal Regulations.

10. Commitments Committee

10.1. Membership

The Commitments Committee shall have at least two Directors. No executive director may sit on the Committee.

The Committee shall be chaired by one of its members, appointed by the Board of Directors.

10.2. Operating procedures

The Commitments Committee shall meet before every meeting of the Board of Directors at which matters falling within its remit are to be discussed. The Commitments Committee may meet at any other time to make recommendations to General Management concerning any matters falling within its remit.

The agenda for Committee meetings shall be prepared under the responsibility of its chairman, in collaboration with the Chairman of the Board of Directors and the Chief Executive Officer.

The Committee may interview the Chairman of the Board of Directors and the Chief Executive Officer, and its chairman may invite them to its meetings. It may also interview, with or without the presence of the Chairman of the Board of Directors and the Chief Executive Officer, the Directors and the Chief Operating Officers. In all other cases, it must request authorisation from the Chief Executive Officer before interviewing any senior managers in the Group.

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

10.3. Powers

The Commitments Committee shall be responsible for reviewing immediate or future commitments of a material nature for the Group in view of their amount, the associated risks or their compatibility with the strategy approved by the Board of Directors, prior to authorisation by the Board. Matters are referred to the Committee only when the above commitments are in line with the strategy approved by the Board of Directors or result from a strategic opportunity that was previously approved in principle by the Board of Directors.

Whenever a project is referred to the Committee, it shall consider its compatibility with the strategy approved by the Board of Directors, its short- and medium-term profitability, the associated risks if the project goes ahead (or does not go ahead), sensitivity to such risks, the level of resulting commitments for the Group, the terms of financing and, more generally, any other facts it considers relevant.

It shall make observations, give opinions and make recommendations to the Board of Directors on all matters referred to it.

The Committee shall report on the performance of its duties to the Board of Directors, in particular through briefings provided by its chairman and by providing Directors with the minutes of its meetings, which shall state whether its members were present or absent and record any dissenting opinions expressed by members.

11. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee shall have at least two Directors. At least half of its members must be independent Directors.

The Committee shall be chaired by one of its members, appointed by the Board of Directors.

The agenda for Committee meetings shall be prepared under the responsibility of its chairman, in collaboration with the Chairman of the Board of Directors and the Chief Executive Officer.

The Committee may interview the Chairman of the Board of Directors and the Chief Executive Officer, and its chairman may invite them to its meetings. It may also interview, with

or without the presence of the Chairman of the Board of Directors and the Chief Executive Officer, the Directors and the Chief Operating Officers. In all other cases, it must request authorisation from the Chief Executive Officer before interviewing any senior managers in the Group.

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

The Committee shall meet to consider any matters referred to it by General Management and, in any event, before any meeting of the Board of Directors at which matters falling within its remit are to be discussed.

Its duties are to:

- assess the Group's corporate responsibility strategy and policy;
- monitor the programs implemented and the priority actions taken in this area and assess the results thereof;
- review the Group's principal opportunities and risks in social and environmental matters in light of the issues specific to its strategy and businesses;
- review the Group's non-financial performance and the information published by the Group in this regard;
- monitor application of the ethical rules adopted by the Group.

The Committee shall report on the performance of its duties to the Board of Directors, in particular through briefings provided by its chairman and by providing Directors with the minutes of its meetings, which shall state whether its members were present or absent and record any dissenting opinions expressed by members.

12. Remuneration of Directors

All Directors may receive remuneration for the performance of their duties, the total amount of which shall be determined by the Company's General Meeting. The Board of Directors shall have full discretion to decide the allocation of such remuneration between the Directors, in light of recommendations or proposals from the Nomination, Remuneration and Governance Committee.

2.3.3.4 Full text of the Directors' Charter updated on 21 April 2021

This Charter sets out the rights and duties of Directors.

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

1. Representation of shareholders

The Board of Directors collectively represents all the shareholders and acts in the Company's interests in all circumstances. All the Directors, regardless of the manner in which they were appointed, shall represent all the shareholders.

2. Knowledge of duties and obligations

Before accepting office, Directors must become familiar with laws and regulations relevant to their position, the Company's Articles of Association, this Charter and the Internal Regulations of the Board of Directors.

Directors may consult the Secretary of the Board of Directors at any time regarding the scope of such rules and the rights and obligations attached to their office.

3. Holding a minimum number of shares in the Company

Each Director must hold 400 shares in the Company, in registered form, throughout his/her term of office.

4. Information

Directors must ensure that they receive in a timely manner all information necessary to perform their duties. They must, at the appropriate times, apply to the Chairman of the Board of Directors and request the information they deem necessary to perform their duties and to speak on matters on the agenda of meetings of the Board of Directors.

5. Regular attendance

Directors must devote the necessary time and attention to their office and, when they accept another office, must consider whether they will still be able to meet this duty. Save where physically impossible, they must attend all meetings of the Board of Directors and of any committees on which they sit, as well as the General Meetings.

6. Conflicts of interest

Directors must inform the Board of Directors of any conflict of interest or potential conflict of interest as of the time they become aware thereof, and, when a conflict of interest exists, must refrain from participating in the discussion and voting on the corresponding resolution. Any Director in a permanent conflict of interest must resign.

7. Number of offices held by Directors

Directors, including the Chairman of the Board of Directors, may hold no more than four other offices in listed companies outside the Group, including abroad.

The Chairman of the Board of Directors must inform the Board of Directors before accepting any office in any listed or unlisted non-Group company.

The Chairman of the Board of Directors must obtain the consent of the Board of Directors before accepting any office in a listed non-Group company.

Directors, including the Chairman of the Board of Directors, must keep the Board of Directors informed of all significant positions and offices they hold in listed or unlisted non-Group companies, including membership of specialised committees set up by boards of directors.

8. Duty of confidentiality and non-disclosure

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

With respect to non-public information of which they become aware in the performance of their duties, Directors should consider themselves bound by an obligation of professional secrecy that goes beyond the mere duty of discretion (obligation de discrétion) provided for by Article L. 225-37 (5) of the French Commercial Code.

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

9. Stock market ethics

The stock market obligations of Directors are set out in the Group's stock market ethics rules, to which they are subject from appointment. They may seek the support of the Secretary of the Board of Directors and of the Ethics Officer with a view to complying with their obligations.

2.3.4. SPECIFIC PROCEDURES RELATING TO TAKING PART IN GENERAL MEETINGS

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

The Company's Memorandum and Articles of Association are available on its website www.albioma.com and the principal provisions (including those of Article 32) are described in Section 6.1.2 on pages 260 *et seq.* of this Universal Registration Document.

2.4. Remuneration of corporate officers

For the purposes of the following section, the term corporate officer means the Chief Executive Officer, the Chief Operating Officers, if any, and the Chairman of the Board of Directors. The term executive corporate officer means the Chief Executive Officer and the Chief Operating Officers, if any, and the Chairman of the Board of Directors classified as non-executive corporate officer, provided this role is not filled by the Chief Executive Officer. All the other Directors are non-executive corporate officers.

2.4.1. CORPORATE OFFICER REMUNERATION POLICY

2.4.1.1. Corporate officers

General remarks

Only the Board of Directors has the authority to determine, based on the recommendations of the Nomination, Remuneration and Governance Committee, the remuneration and any benefits awarded to the corporate officers.

The remuneration and any benefits received by the corporate officers are determined on the basis of the following principles:

- competitiveness and loyalty;
- fairness and performance;
- comprehensiveness and global assessment;
- balance between the various components of the remuneration;
- use of comparative data reflecting both market standards and practices in comparable companies;
- consistency, transparency, stability and clarity of rules applied;

- consistency with the Company's strategy and context, compliance with the interests of the Company;
- consideration of the importance of responsibilities actually assumed.

Fixed and variable annual remuneration

The corporate officers' annual remuneration is comprised of a fixed component and, for the executive corporate officers only, a variable component based on the achievement of demanding quantitative and qualitative financial and non-financial objectives, determined at the start of the year in line with the strategy approved by the Board of Directors. Non-executive corporate officers do not receive any variable remuneration.

The fixed remuneration payable to the Chairman and Chief Executive Officer and the methods used to determine the variable remuneration payable to the Chief Executive Officers (in particular the financial and non-financial quantitative and qualitative objectives they will be required to achieve) are determined by the Board of Directors on the basis of recommendations by the Nomination, Remuneration and Governance Committee, developed on the basis of an analysis of the practices of a panel of comparable companies and the performance of the senior executives.

The fixed remuneration received by the Chairman and Chief Executive Officer is only reviewed every two or three years.

Remuneration as Director

Only independent Directors receive remuneration in respect of their position. The Chief Executive Officer Director may thus not receive remuneration in this capacity. Where the roles of Chairman of the Board of Directors and Chief Executive Officer are split, the same applies to the Chairman of the Board of Directors unless the latter is classified as an independent Director.

Exceptional remuneration

The Company's remuneration policy does not provide for the payment of exceptional remuneration to corporate officers.

Variable multi-year remuneration

The Company's remuneration policy does not provide for the payment of variable multi-year remuneration to corporate officers.

Bonus performance share plans and options to subscribe or purchase shares

The Company's remuneration policy does not provide for any long-term incentive programmes of any type whatsoever for the non-executive corporate officers.

The long-term incentive programme for the Chief Executive Officers takes the form of the award of bonus performance shares or options to subscribe or purchase shares, depending inter alia on the tax and employment rules that apply at the time they are awarded. The aim of this long-term incentive programme is to ensure that the interests of the Chief Executive Officers remain in line with those of the shareholders. Vesting of the performance shares awarded, or exercise of options to subscribe or purchase shares, as the case may be, is subject to exacting performance conditions, combining internal criteria and external criteria which, as far as is possible, are measured while taking into consideration the performance of the Company and its Group compared to its market environment. The existing plans cover performance over at least three years.

Based on the recommendations of the Nomination, Remuneration and Governance Committee, the Board of Directors determines the bonus performance shares and options to subscribe or purchase shares to be awarded to the Chief Executive Officer, ensuring, in particular, that these awards, valued in accordance with IFRS 2, do not represent a disproportionate share of the total remuneration of the Chief Executive Officer and that the share of the awards reserved for executive corporate officers within a plan is in accordance with market practices.

If a corporate officer stands down or is removed from office before the end of the vesting period for the performance shares or the options, the award will be cancelled, other than in those cases when the special rules relating to death or disability apply.

Welcome packages

The Company's remuneration policy does not provide for the payment of a welcome package to corporate officers.

Remuneration and commitments on departure

Executive corporate officers may benefit from certain commitments when they cease to hold office, such as severance pay and/or compensation paid under a covenant not to compete. The terms, conditions and amounts comply with the recommendations set out in the AFEP-MEDEF Corporate Governance Code.

Remuneration under agreements concluded with the Company or its Group

The Company's remuneration policy does not provide for the payment of remuneration to corporate officers under any agreement concluded with the Company or its Group.

If a corporate officer held an employment contract prior to his or her appointment, the contract is terminated or, if justified by special circumstances, suspended.

Benefits in kind, occupational insurance and retirement benefits

The benefits in kind received by corporate officers are limited to use of a company car and the payment by the Company of the contributions in respect of the insurance cover for company managers and executives (*Garantie Sociale des Chefs et Dirigeants d'Entreprise - GSC*). This includes the reintegration of contributions to occupational insurance plans available to them within the Group (covering healthcare, incapacity, disability and death).

If their personal circumstances permit this, corporate officers are registered with the occupational insurance plan (covering healthcare, incapacity, disability and death) and the mandatory defined contribution supplementary pension plan, like all the Company's employees.

Other remuneration

The Company's remuneration policy does not provide for the payment of any other type of remuneration to corporate officers. More specifically, they do not receive any remuneration in any form whatsoever from the Company's subsidiaries or any companies that control it.

2.4.1.2. Non-executive corporate officers

Non-executive corporate officers only receive remuneration in their capacity as Director. The maximum amount to be allocated between the Directors in this respect is set by the General Meeting, and the actual apportionment of the sums between Directors is decided by the Board of Directors alone, in view of recommendations by the Nomination, Remuneration and Governance Committee. Amounts allocated may reflect specific tasks assigned to certain Directors, in which case the Directors may not all receive the same amount. Only independent Directors receive this remuneration. The main portion constitutes variable remuneration, paid to reward actual attendance of meetings of the Board of Directors and of its specialised Committees.

2.4.2. REMUNERATION RECEIVED BY CORPORATE OFFICERS FOR THE 2021 FINANCIAL YEAR

Information on the remuneration of corporate officers is provided in accordance with the provisions of the AFEP-MEDEF Code and AMF position-recommendation no. 2021-02 of 8 January 2021 as amended on 5 January 2022 serving as a guide to prepare universal registration documents.

The information referred to in Articles L. 225-184 and L. 225-197-4 of the French Commercial Code relating to, respectively, stock options awarded during the financial year to the Company's employees and options to subscribe for or purchase shares exercised by said employees, and to bonus performance shares awarded during the financial year to the Company's employees and shares vesting for said employees, is presented in Sections 6.4.2 and 6.4.3 on pages 284 et seq. of this Universal Registration Document.

No remuneration was due to the Company's corporate officers by companies controlled by Albioma in respect of the 2020 and 2021 financial years, nor was any paid to these corporate officers by these companies during said financial years.

2.4.2.1. General remarks

On the basis of recommendations by the Nomination, Remuneration and Governance Committee, the Board of Directors had, early in the 2019 financial year, decided to make a number of modifications to the existing terms of remuneration for corporate officers, to apply from the 2019 financial year, mainly associated with the combining, following the General Meeting of 27 May 2019, of the roles of Chairman of the Board of Directors and of Chief Executive Officer. The mechanisms governing the remuneration of the Chairman and Chief Executive Officer as determined as from the 2019 financial year were not changed in any way in the 2020 financial year and were rolled over without change for 2021.

2.4.2.2. Summary of remuneration awarded to Frédéric Moyne, Chairman and Chief Executive Officer (since 27 May 2019)

In thousands of euros ¹	2021	2020
FRÉDÉRIC MOYNE		
Chairman and Chief Executive Officer²		
Remuneration for the financial year ³	833.19	817.36
Value of multi-year variable remuneration awarded during the financial year ⁴	-	-
Value of stock options awarded during the financial year ⁵	-	-
Value of bonus performance shares awarded during the financial year ⁶	350.51	317.00
Total	1,183.71	1,134.36

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

2. Frédéric Moyne was Chief Executive Officer up to 27 May 2019 and then Chairman and Chief Executive Officer from 27 May 2019.

3. The total amount of the annual fixed and variable remuneration due in respect of the performance of the duties of Chairman and Chief Executive Officer from 1 January to 31 December of the financial year concerned. See additional information in Section 2.4.2.3 on pages 135 et seq. of this Universal Registration Document.

4. No variable multi-annual remuneration mechanism was in place in respect of the 2020 and 2021 financial years.

5. Value, on their award date, of the options to subscribe or purchase shares awarded during the financial year concerned, based on the proportion of the expense recognised by the Company in respect of said award pursuant to IRFS 2. See additional information in Section 2.4.2.6 on page 139 of this Universal Registration Document.

6. Value, on their award date, of the bonus performance shares awarded during the financial year concerned, based on the proportion of the expense recognised by the Company in respect of said award pursuant to IRFS 2. See additional information in Section 2.4.2.7 on pages 139 et seq. of this Universal Registration Document.

1. The Nomination, Remuneration and Governance Committee used a comparative analysis of a panel of 17 companies operating in the same industry and included in the SBF 120 or CAC Small 90 indexes which have similar features to Albioma in terms of revenue (the median revenue for the panel is €290 million) and market capitalisation (the median market capitalisation for the panel is €1,000 million). The chosen panel was unchanged from the panel used in 2018, except for Neoen, which was added to the panel in 2019 following its listing, and the replacement on the panel of Actia Group by Voltalia, given the stronger correlation of the latter's activities with the Group's. Composition of the panel used in 2019: Bénéteau, Boiron, Exel Industries, Gaztransport et Technigaz, Groupe Gorgé, Guerbet, Manutan International, Mersen, Neoen, PCAS, PSB Industries, Soitec, Somfy, Thermador Group, Trigano, Virbac and Voltalia.

2.4.2.3. Summary of remuneration owed and paid to Frédéric Moyne, Chairman and Chief Executive Officer (since 27 May 2019)

In thousands of euros ¹	2021		2020	
	Amounts due ²	Amounts paid ³	Amounts due ²	Amounts paid ³
FRÉDÉRIC MOYNE				
Chairman and Chief Executive Officer⁴				
Fixed remuneration ⁵	350.00	350.00	350.00	350.00
Annual variable remuneration ⁶	429.14	412.83	412.83	430.73
Multi-annual variable remuneration ⁷	-	-	-	-
Exceptional remuneration ⁸	-	-	-	-
Remuneration as Director ⁹	-	-	-	-
Benefits in kind ¹⁰	54.05	54.05	54.52	54.52
Total	833.19	816.88	817.36	835.26

1. Remuneration components are presented on a gross, pre-tax basis.
2. Remuneration components due in respect of the performance of the duties of Chairman and Chief Executive Officer, from 1 January to 31 December of the financial year concerned.
3. Remuneration effectively paid from 1 January to 31 December of the financial year concerned. The fixed remuneration due in respect of a financial year is paid in 12 equal instalments during said year. The variable remuneration due in respect of a financial year is paid during the following financial year.
4. Frédéric Moyne was Chief Executive Officer up to 27 May 2019 and then Chairman and Chief Executive Officer from 27 May 2019.
5. See additional information in the remainder of this section of this Universal Registration Document.
6. See additional information in the remainder of this section of this Universal Registration Document.
7. No variable multi-annual remuneration mechanism was in place in respect of the 2020 and 2021 financial years.
8. No exceptional remuneration was due in respect of the 2020 and 2021 financial years, nor was any paid during these financial years.
9. See additional information in Section 2.4.2.5 on pages 138 et seq. of this Universal Registration Document.
10. See additional information in the remainder of this section of this Universal Registration Document.

The principles and rules applied for the 2021 financial year by the Board of Directors to determine the remuneration and benefits of any kind received by the Chairman and Chief Executive Officer are described in Section 2.4.1.1 on pages 132 et seq. of this Universal Registration Document.

Frédéric Moyne had an employment contract with the Company until 1 June 2017. The effects of this contract were suspended by the Board of Directors at the time he was appointed Chief Executive Officer for a limited one-year period, at the end of which period the employment contract was terminated as Frédéric Moyne had informed the Company of his decision to resign from his salaried position with effect from 1 June 2017 subject to the condition precedent

that he still serves as Chief Executive Officer on that date (see additional information in Section 2.4.2.8 on page 141 of this Universal Registration Document).

Fixed remuneration

In 2021, Frédéric Moyne received all-inclusive gross annual fixed remuneration of €350,000 in respect of his position as Chairman and Chief Executive Officer, payable in twelve instalments, at the same level as in 2020.

The amount of this remuneration was determined by the Board of Directors for the 2021 financial year at its meeting of 3 March 2021.

Variable remuneration

The fixed remuneration payable to Frédéric Moyné in his capacity as Chairman and Chief Executive Officer for the 2021 financial year was accompanied by variable remuneration of up to 133% of his fixed remuneration, namely €465,500, linked to the achievement of non-financial quantitative and qualitative objectives and financial objectives set by the Board of Directors for the financial year in question.

At its meeting on 1 March 2022, the Board of Directors, deciding on the basis of the recommendations of the Nomination, Remuneration and Governance Committee, conducted an assessment of Frédéric Moyné's overall performance in view of the objectives set him in respect of the 2021 financial year. In accordance with the principles adopted by the Board of Directors at its meeting of 3 March 2021, the variable component of Frédéric Moyné's remuneration for the 2021 financial year was set at €429,143.75 i.e., 123% of the fixed component of his remuneration for the same period. It was calculated as shown below:

	Weighting (% of target amount)	Target amount (in euros)	Interpolation matrix					Performance achieved		Variable remuneration	
			0% of target amount	25% of target amount	50% of target amount	100% of target amount	150% of target amount	In absolute terms	As % of target amount	As % of target amount	In euros
Financial indicators¹											
2021 consolidated EBITDA (in millions of euros)	22%	77,000	< 205		205	209	≥ 215	214,8	103%	148%	114,217
2021 consolidated net income, Group share (in millions of euros)	22%	77,000	< 53		53	56	≥ 59	59,0	105%	150%	115,500
2021 consolidated free cash flow from operating activities (in millions of euros)	22%	77,000	< 115		115	126	≥ 155	148,4	118%	139%	106,677
Sub-total financial indicators	66%	231,000								146%	336,394
QUANTITATIVE NON-FINANCIAL INDICATORS											
Fall in workplace accident frequency rate in 2021 compared with 2020 (in absolute terms) ²	3%	10,500	≥ 7,80			7,02		7,96	(21%)	-	-
2021 workplace accident severity rate kept under the Group target of 0.5 and better than in 2020 (in absolute terms) ³	3%	10,500	≥ 0,22			0,20		0,19	123%	100%	10,500
Improvement in the Group's V.E rating in 2021 compared with 2020 (in points) ⁴	6%	21,000	< 63	63	64	65		63	-	25%	5,250
Sub-total quantitative non-financial indicators	12%	42,000								38%	15,750
QUALITATIVE NON-FINANCIAL INDICATORS											
Qualitative targets ⁵	22%	77,000								100%	77,000
Sub-total qualitative non-financial indicators	22%	77,000								100%	77,000
Total	100%	350,000								123%	429,144

1. Should the target set for the Chief Executive Officer for each of the three financial objectives exceed 103% of the 2021 consolidated EBITDA target, 105% of the 2021 consolidated net income, Group share target, and 123% of the 2021 consolidated free cash flow from operating activities target, the portion of his variable remuneration for each of the financial objectives was capped at 150% of the target amount of variable remuneration corresponding to each of these objectives.

2. Number of workplace accidents involving Group staff resulting in over 24 hours lost time per million hours worked (all businesses and all geographic areas).

3. Number of days' sick leave (lost-time >24 h) due to workplace accidents involving Group staff per thousand hours worked (all businesses and all geographic areas).

4. Rating obtained by the Group following an assessment by V.E, a non-financial rating agency.

5. The qualitative non-financial objectives set for Frédéric Moyné in respect of the 2021 financial year were linked to progress on projects pertaining to the energy transition in the Overseas Thermal Biomass business, progress on the delivery of other development projects (including targets to broaden the project portfolio and deepen the medium and long-term strategic vision), the improvement of the Group's non-financial performance and safety, human resources and communication (including in particular establishing and implementing a staff safety action plan). On the basis of the assessment by the Board of Directors of Frédéric Moyné's performance in view of these objectives, and as recommended by the Nomination, Remuneration and Governance Committee, the Board determined that he achieved 100% of the qualitative non-financial objectives set for him for the 2021 financial year. In the course of this analysis, the Board of Directors notably identified the receipt of a favourable decision from the French energy regulator regarding the level of remuneration of the Gol plant conversion project, the satisfactory progress on the project to convert the Moule plant, receipt of favourable decisions from the French energy regulator regarding the partial compensation of the construction cost overruns at the Galion 2 and Albioma Saint-Pierre plants, significant progress on the other ongoing development projects in the French overseas departments, the first-rate take-over of the Gümüşhøy plant in Turkey, the agreement of a second acquisition in the geothermal space at the end of the year as well as significant progress on other geothermal projects under development, the development of a strategy to green the mix on Mauritius, the presentation of a plan to maximise the local spin-offs from the project to convert the Bois-Rouge plant, the acquisition of the wood pellet production unit at La Granaudière in Canada with a view to the regionalisation of the sustainability of biomass, the carrying out of a Group safety audit and the development of the corresponding action plan, and lastly the roll-out of the Group employee training programme addressing the energy transition.

Benefits in kind, occupational insurance and retirement benefits

The benefits in kind to which Frédéric Moyne was entitled in his capacity as Chief Executive Officer for the 2021 financial year corresponded to:

- the value of the provision of a company car;
- the payment by the Company of the contributions in respect of the insurance cover for loss of employment for company managers and executives (*Garantie Sociale des Chefs et Dirigeants d'Entreprise - GSC*);
- the reintegration of contributions to the occupational insurance plan over and above the maximum amounts set in applicable laws and regulations.

Frédéric Moyne remained a member of the occupational insurance plan (covering healthcare, incapacity, disability and death) and the AGIRC-ARRCO mandatory group supplementary pension plan open to all the Company's employees categorised as executive staff. His membership of the mandatory group supplementary defined contribution pension plan open to all Company employees was maintained.

2.4.2.4. Equity ratio

Over the past five financial years, the ratio of the remuneration of the Chairman and Chief Executive Officer to median and average employee remuneration was as follows:

	2017	2018	2019	2020	2021
FRÉDÉRIC MOYNE					
Chief Executive Officer (from 01/06/2016 to 27/05/2019) and subsequently Chairman and Chief Executive Officer (since 27/05/2019)¹					
Ratio of remuneration to the average remuneration of Company employees	3.7	5.4	5.8	7.7	8.0
Ratio of remuneration to the average remuneration of employees in Group companies registered in France	6.4	10.2	10.8	14.4	14.4
Ratio of remuneration to the median remuneration of Company employees	4.4	7.1	7.8	11.3	10.5
Ratio of remuneration to the median remuneration of employees in Group companies registered in France	8.0	13.8	13.4	19.0	18.5
COMPANY PERFORMANCE					
Consolidated EBITDA (in millions of euros)	138.3	162.6	182.9	206.4	214.8
Consolidated net income, Group share (in millions of euros)	37.4	44.2	44.1	55.3	59.0

1. The calculation of the ratio factors in the cash remuneration components (fixed remuneration and variable remuneration) paid to the Company's executive officer and the valuation of the performance shares awarded to the latter (excluding the 2017 financial year), versus the cash remuneration components (fixed remuneration, variable remuneration, bonuses, benefits in kind, incentives and profit-sharing) paid to employees of the Company and employees of Group companies with their registered offices in France, plus the valuation of performance shares awarded to the latter (excluding the 2017 financial year).

2.4.2.5. Remuneration of non-executive corporate officers

In thousands of euros ¹	2021		2020	
	Amounts due ²	Amounts paid ³	Amounts due ²	Amounts paid ³
JEAN-CARLOS ANGULO	37.55	37.55	37.55	35.85
Remuneration as Director	37.55	37.55	37.55	35.85
Other remuneration	-	-	-	-
PIERRE BOUCHUT	45.00	45.00	45.00	40.99
Remuneration as Director	45.00	45.00	45.00	40.99
Other remuneration	-	-	-	-
BPIFRANCE INVESTISSEMENT	-	-	-	-
Remuneration as Director	-	-	-	-
Other remuneration	-	-	-	-
MARIE-CLAIRE DAVEU	34.15	34.15	34.15	34.15
Remuneration as Director	34.15	34.15	34.15	34.15
Other remuneration	-	-	-	-
FRANCK LACROIX⁴	32.40	32.40	32.40	17.39
Remuneration as Director	32.40	32.40	32.40	17.39
Other remuneration	-	-	-	-
FLORENCE LAMBERT⁵	26.45	20.72	26.45	5.73
Remuneration as Director ⁶	26.45	20.72	26.45	5.73
Other remuneration	-	-	-	-
VALÉRIE LANDON⁷	-	-	-	15.01
Remuneration as Director	-	-	-	15.01
Other remuneration	-	-	-	-
ULRIKE STEINHORST	34.15	34.15	34.15	33.30
Remuneration as Director	34.15	34.15	34.15	33.30
Other remuneration	-	-	-	-
Subtotal of remuneration as Director	209.70	203.97	209.70	182.42
Subtotal of other remuneration	-	-	-	-
Total	209.70	203.97	209.70	182.42

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

2. Remuneration due in respect of the performance of the duties of Director from 1 January to 31 December of the financial year concerned.

3. Remuneration effectively paid from 1 January to 31 December of the financial year concerned. Except in special cases, the remuneration due in respect of a financial year is paid during the following financial year.

4. In the 2019 financial year, Frank Lacroix only served as Director as from his co-opting at the 27 May 2019 meeting of the Board of Directors.

5. Florence Lambert only served as Director in the 2019 financial year as from her appointment by the General Meeting of 27 May 2019.

6. Florence Lambert having wished in the 2019 financial year to use the sums accruing to her in consideration for her role as Director for the period from 27 May to 31 December 2019, to buy the minimum number of shares she is required to hold under the Company's Memorandum and Articles of Association, those sums were paid to her during the 2019 financial year.

7. Valérie Landon only served as Director in the 2019 financial year up to 27 May when her term of office expired. She did not ask to be reappointed.

Additional information on the remuneration paid to the non-executive corporate officers

The total amount to be allocated between the Directors was most recently set by the General Meeting of 27 May 2019 at €225,000 for the 2019 and subsequent financial years, compared to €192,500 for the 2018 financial year. The General Meeting, in so doing, approved the proposal of the Board of Directors to increase the total amount for allocation between the Directors in consideration for their duties to allow for the specific remuneration of the Lead Independent Director as from the combining of the roles of Chairman of the Board of Directors and of Chief Executive Officer and the continued implementation of the procedures for allocating between the Directors the total amount granted to the Board of Directors by the General Meeting determined by the Board of Directors at its 5 March 2018 meeting and applicable as from 30 May 2018.

During the 2021 financial year, the procedures for allocating said sum between the Directors thus changed as follows:

- only independent Directors receive remuneration in respect of their positions as Director;
- independent Directors are entitled to all-inclusive fixed lump-sum remuneration, calculated on a pro rata basis if their appointment relates to part of a financial year only, of €12,000 per financial year plus, for independent Directors chairing a specialised Committee, an additional fixed entitlement of €6,000 per financial year and per Committee chaired;
- independent Directors also receive a variable payment of €1,700 per meeting of the Board of Directors (provided they actually participate in these meetings), up to a maximum of €11,900 per Director per annum, and of €850 euros per meeting of a specialised Committee (provided they actually participate in these meetings), up to a maximum of €5,950 per Director per annum for the Commitments Committee and of €3,400 per Director per annum for the other Committees;
- The Lead Independent Director also receives all-inclusive fixed remuneration of €10,000 per financial year.

2.4.2.6. Options to subscribe or purchase shares

None (see additional information in Section 6.4.2 on page 284 of this Universal Registration Document).

2.4.2.7. Bonus performance share awardse

The information that follows, together with the information in Section 6.4.3 on pages 284 *et seq.* of this Universal Registration Document, constitutes the report of the Board of Directors referred to in Article L. 225-197-4 of the French Commercial Code.

The table below shows only data relating to the bonus performance share plans still in effect as at 31 December 2021 or those expired during the 2021 financial year, and that are/were open to corporate officers, i.e.:

- the three-year programme comprising three plans staggered from 2018 to 2020, each involving around 1.00% of the share capital, adopted by the General Meeting of 30 May 2018 for Company employees and certain employees of its subsidiaries. A total of 919,000 performance shares may be awarded, representing 2.87% of the share capital at 31 December 2021, pursuant to which:
 - 309,600 performance shares were awarded under a 2018 plan, representing 0.97% of the share capital at 31 December 2021;
 - 305,420 performance shares were awarded under a 2019 plan, representing 0.95% of the share capital at 31 December 2021;
 - 303,971 performance shares were awarded under a 2020 plan, representing 0.95% of the share capital at 31 December 2021;
- the three-year programme comprising three plans staggered from 2021 to 2023, each involving around 0.90% of the share capital, adopted by the General Meeting of 29 May 2020 for Company employees and certain employees of its subsidiaries. A total of 846,000 performance shares may be awarded, representing 2.64% of the share capital at 31 December 2021, pursuant to which 224,977 performance shares were awarded under the “2021” plan, representing 0.70% of the share capital at 31 December 2021¹.

The main terms and conditions of each of the bonus performance share plans existing as at 31 December 2021 or expiring during the 2021 financial year are described in Section 6.4.3.1 on pages 285 *et seq.* of this Universal Registration Document. The following provisions apply in particular to the awards made to the corporate officers:

¹ See additional information in Section 6.4.3.1 on page 289 of this Universal Registration Document on the bonus performance share plan set up in 2022 under the authorisation granted to the Board of Directors by the General Meeting of 29 May 2020.

- the number of bonus performance shares that may be awarded to the corporate officers was limited to 91,900 under the plans set up as a result of the resolutions adopted at the General Meeting of 30 May 2018 and 84,600 under the plans set up as a result of the resolutions adopted at the General Meeting of 29 May 2020, namely 10% of the total number of bonus performance shares;
- the vesting of the bonus performance shares awarded to the corporate officers is not subject to an obligation to acquire a pre-determined number of the Company's shares in the market (see additional information in Section 6.4.3.1. on pages 285 et seq. of this Universal Registration Document);
- the corporate officers are required, in the event of the vesting of bonus performance shares, to comply with an obligation to retain in registered form 25% of the number of shares vesting until the expiry of their terms of office; this obligation applies, if applicable, in addition to the general obligation to keep all vested performance shares for a set period, as per the regulations of those plans.

Plans still in effect were not in any way hedged at 31 December 2021.

Bonus performance shares awarded during the 2021 financial year to each corporate officer

	Date of the General Meeting	Date of the Board of Directors' meeting	Number of shares awarded during the financial year	Value of shares awarded during the financial year (in thousands of euros) ³	Vesting date	Availability date	Performance conditions
FRÉDÉRIC MOYNE Chairman and Chief Executive Officer ¹	29/05/2020 ²	03/03/2021 ²	22,500	350.51	03/03/2024	See note 4	See note 5
Total			22,500	350,51			

1. Frédéric Moyne was Chief Executive Officer up to 27 May 2019 and then Chairman and Chief Executive Officer from 27 May 2019.

2. Awards under the "2021" plan for Company employees and certain employees of its subsidiaries.

3. Value, on their award date, of the shares awarded, based on the proportion of the expense recognised by the Company in respect of said award pursuant to IRFS 2.

4. Vesting shares are subject to a general one-year lock-in commitment from their vesting date. The Chief Executive Officer is moreover bound by an obligation to retain in registered form 25% of the number of vested performance shares until he ceases to hold office.

5. Please see Section 6.4.3.1 on page 288 of this Universal Registration Document.

Bonus performance shares vesting during the 2021 financial year for each corporate officer

	Date of the General Meeting	Date of the Board of Directors' meeting	Number of bonus shares awarded vesting during the financial year	Vesting conditions
FRÉDÉRIC MOYNE Chairman and Chief Executive Officer ¹	30/05/2018 ²	30/05/2018 ²	23,511	See note 3
Total			23,511	

1. Frédéric Moyne was Chief Executive Officer up to 27 May 2019 and then Chairman and Chief Executive Officer from 27 May 2019.

2. Allotments under the "2018" plan for staff of the Company and certain staff members of its subsidiaries.

3. See Section 6.4.3.1 on page 285 and Section 6.4.3.3 on page 290 of this Universal Registration Document.

History of bonus performance shares awarded

See Section 6.4.3.1 on pages 285 *et seq.* of this Universal Registration Document.

2.4.2.8. Contracts of employment, supplementary pension plans and remuneration payable on departure

	Employment contract		Supplementary retirement plan		Compensation or benefits owed or likely to be owed due to expiry, termination or change of position/office		Compensation under a covenant not to compete	
	Yes	No	Yes	No	Yes	No	Yes	No
FRÉDÉRIC MOYNE Chairman and Chief Executive Officer¹		x ²		x ³		x ⁴		x ⁵

1. Frédéric Moyne was Chief Executive Officer up to 27 May 2019 and then Chairman and Chief Executive Officer from 27 May 2019.

2. At its meeting of 1 March 2016, the Board of Directors had decided to maintain Frédéric Moyne's employment contract for a limited period of one year from the effective date of his appointment as Chief Executive Officer, and recorded its automatic suspension. See the additional information below.

3. Frédéric Moyne does not have a specific supplementary pension plan that constitutes commitments of the type governed by Article R. 225-29-1 of the French Commercial Code.

4. Since 1 June 2016, Frédéric Moyne is entitled to severance pay from 1 June 2017 in the event he is removed from office as Chief Executive Officer, the terms and conditions of which are described in this section of this Universal Registration Document.

5. Since 1 June 2016, Frédéric Moyne is bound by a covenant not to compete in the event he is removed from office as Chief Executive Officer, the terms and conditions of which are described in this section of the Universal Registration Document.

Additional information on the effective termination of Frédéric Moyne's employment contract in 2017

At its meeting of 1 March 2016, the Board of Directors reviewed the position of Frédéric Moyne with regard to his employment contract with the Company. In this regard, the Board of Directors noted that:

- by 1 June 2016, Frédéric Moyne would have completed more than 17 years' service within the Group;
- under the loss of employment insurance taken out on his behalf as from 1 June 2016, he would only become entitled to compensation if he were removed from office on or after 1 June 2017;
- the contractual provisions applicable to the termination of Frédéric Moyne's employment contract would guarantee him, in the event of termination of said contract for just cause (excluding serious or gross misconduct), compensation of around 8.4 months' remuneration;
- it would have been inequitable to suddenly deprive Frédéric Moyne of the protection mechanisms from which he could benefit in the event of the termination of his employment contract (severance pay and the benefit of unemployment insurance).

In view whereof, the Board of Directors, ruling on the basis of the recommendations of the Nomination and Remuneration Committee (since renamed the Nomination, Remuneration and Governance Committee), had decided to approve the principle of maintaining Frédéric Moyne's employment contract for a period of one year as from 1 June 2016, although the effects of said contract were suspended during that period.

As Frédéric Moyne resigned from his salaried duties with deferred effect from 1 June 2017 subject to the sole condition precedent that he was still the Company's Chief Executive

Officer on that date, his resignation became effective on 1 June 2017, on which date his employment contract was terminated.

Additional information on the severance payment and covenant not to compete in the event Frédéric Moyne is removed from office as Chief Executive Officer

Severance pay

Principles

At its meeting of 1 March 2016, the Board of Directors put in place, for the benefit of Frédéric Moyne in his capacity as Chief Executive Officer, all-inclusive severance pay which would be implemented as from the first day of the second year following the date on which his appointment as the Company's Chief Executive Officer came into effect (i.e., 1 June 2017). The terms and conditions of this severance pay are set out below. The terms of payment of such severance pay were approved by the General Meeting of 24 May 2016, voting on the special report by the Statutory Auditors in accordance with Article L. 225-42-1 of the French Commercial Code (6th resolution).

Assumptions concerning termination of office that are eligible for the payment of the all-inclusive severance pay

The all-inclusive severance pay will be due and paid in the event Frédéric Moyne is removed from his office as Chief Executive Officer or his term of office is not renewed, unless said removal or non-renewal is due to:

- any wrongdoing or misconduct characterised under employment law as:
 - serious misconduct (*faute grave*), wherein the degree of seriousness derives from the deliberate nature of the misconduct and the seriousness – assessed in view of the size of the Group and its business activities – of the resulting consequences, or

- gross misconduct (*faute lourde*), i.e., misconduct committed with the intention of harming the Company or its Group, including in particular the intentional or repeated breach of limitations placed on his powers (statutory or extra-statutory) or by resolutions adopted by the General Meeting, or any action constituting a criminal offence perpetrated personally when a Group company is the victim or this could harm the Group's reputation;
- Frédéric Moyne's failure to comply with his exclusivity, non-compete and loyalty obligations incumbent upon him in connection with his corporate office.

The all-inclusive severance pay is not paid in the event the termination of office is due to resignation.

Maximum amount of severance payment

The maximum gross amount of the severance payment is set at 15 months of the gross fixed annual remuneration received in respect of the last 12 months preceding the date on which he ceases to hold office, plus the average of the gross variable remuneration received in respect of the last three financial years preceding that date (the "Reference Remuneration").

In the absence of a sufficiently long reference period, the variable remuneration used to calculate the Reference Remuneration will be equal to the gross target variable remuneration (corresponding to the achievement in full of the quantitative objectives) potentially due as a result of quantitative objectives in respect of the financial year during which he ceases to hold office, plus the maximum gross variable remuneration potentially due as a result of qualitative objectives in respect of said financial year.

Performance conditions

The all-inclusive severance payment will be due and paid only if the amounts received by Frédéric Moyne or owed to him in connection with the variable component of his remuneration in respect of the two financial years preceding the date on which his term of office ends represent, on average, a percentage equal to or greater than 50% of the maximum possible variable component that could be awarded in respect of said financial years.

By exception, if the available reference period only allows one financial year to be taken into account, Frédéric Moyne will be assumed to have satisfied the aforementioned performance conditions, unless the Board of Directors demonstrates that his actual performance during the period preceding the date on which he ceases to hold office would not have qualified him to receive variable remuneration at least equal to 50% of the maximum amount that could be awarded to him in respect of said financial year.

Non-compete covenant

Principles

At its meeting of 1 March 2016, the Board of Directors put in place, for the benefit of Frédéric Moyne, in his capacity as Chief Executive Officer, a mechanism for the payment of compensation under a covenant not to compete which could be implemented as from the date on which his appointment as the Company's Chief Executive Officer comes into effect (i.e., 1 June 2016). The terms and conditions of this mechanism are set out below. The terms were approved by the General Meeting of 24 May 2016, voting on the special report by the Statutory Auditors in accordance with Article L. 225-42-1 of the French Commercial Code (7th resolution).

Covenant not to compete: implementation procedures

In the event Frédéric Moyne ceases to serve as Chief Executive Officer, the Board of Directors shall meet in the following month to decide, at its discretion, whether it wishes to waive the covenant not to compete.

Nature and duration of Frédéric Moyne's obligations

If the covenant not to compete is implemented, Frédéric Moyne will not be permitted, for 12 months after he ceases to serve as the Company's Chief Executive Officer, for whatever reason, to:

- work, in any form whatsoever (employment contract, provision of services, corporate office or otherwise) for any company or enterprise whose business activities (material in terms of revenue) compete with the business activities of the Company and its Group on the date on which he ceases to hold office and is communicated to the market (as of 1 March 2016, these activities are thermal biomass, anaerobic digestion and solar power), this prohibition applying only:
 - in those countries in which at least one of said activities of the Company and its Group represents installed capacity of at least 40 MW on the date on which he effectively ceases to hold office; and
 - to the sole activity or activities of the Company and its Group that have, in said country, achieved or exceeded this threshold on the date on which he effectively ceases to hold office;

- acquire or hold a direct or indirect interest (with the exception of any interest that does not exceed five percent of the share capital or voting rights of a listed company) in any company, enterprise or group whose business activities compete with the business activities of the Company or its Group, on the date on which he effectively ceases to hold office;
- incite any customer, supplier or partner of the Company or its Group to break off or curtail its business relationships with the Company or its Group, or incite any prospective customer not to enter into a business relationship with the Company or its Group;
- hire any officer, senior manager or employee of the Company or its Group, or incite any such officer, senior manager or employee to terminate his/her employment contract or leave the Company or its Group.

Financial compensation

If the covenant not to compete is implemented, the execution of the obligations described above will result in the payment of compensation equal to six months of the gross fixed annual remuneration received in respect of the last 12 months preceding the date on which he ceases to hold office, plus the average of the gross variable remuneration received in respect of the last three financial years preceding the date on which he ceases to hold office (the "Reference Remuneration").

In the absence of a sufficiently long reference period:

- the fixed remuneration used to calculate the Reference Remuneration will be equal to the gross annual fixed remuneration due in respect of the financial year during which he ceases to hold office;
- the variable remuneration used to calculate the Reference Remuneration will be equal to the gross target variable remuneration (corresponding to the achievement in full of the quantitative objectives) potentially due as a result of quantitative objectives in respect of the financial year during which he ceases to hold office, plus the maximum gross variable remuneration potentially due as a result of qualitative objectives in respect of said financial year.

2.4.2.9. Service agreements entered into with the corporate officers

No corporate officer was, as of 31 December 2021 and as of the date of filing of this Universal Registration Document, tied to the Company or one of its subsidiaries by a service contract.

2.4.3. REMUNERATION TO BE RECEIVED BY CORPORATE OFFICERS FOR THE 2022 FINANCIAL YEAR

On the basis of recommendations by the Nomination, Remuneration and Governance Committee, the Board of Directors decided to roll over all provisions of the remuneration policy applicable to corporate officers in 2021.

Remuneration payable to Frédéric Moyne, Chairman and Chief Executive Officer

Fixed remuneration

In his capacity as Chairman and Chief Executive Officer, Frédéric Moyne will receive, for the 2022 financial year, all-inclusive gross annual fixed remuneration of €350,000, payable in 12 instalments, which is the same as in 2021 (see additional information in Section 2.4.2.3 on pages 135 et seq. of this Universal Registration Document).

Variable remuneration

In addition to the fixed remuneration payable to Frédéric Moyne in his capacity as Chief Executive Officer in respect of the 2022 financial year, he will also receive variable remuneration capped at 133% of his fixed remuneration, i.e., €465,500. The target amount of this variable remuneration is set at 100% of the fixed remuneration, i.e., €350,000. Payment of this variable remuneration will be subject to the shareholders voting, at the General Meeting held in 2023 with a view to approving the 2022 financial statements, in favour of the remuneration allocated to the Chairman and Chief Executive Officer for the 2022 financial year (see additional information in Section 2.4.4 on page 145 of this Universal Registration Document).

The actual amount of this variable remuneration will be calculated as shown below, depending on the degree to which Frédéric Moyne achieves the financial objectives and the non-financial quantitative and qualitative objectives set for him by the Board of Directors for the 2022 financial year.

	Weighting (% of target amount)	Target amount (in euros)	Interpolation matrix				
			0% of target amount	25% of target amount	50% of target amount	100% of target amount	150% of target amount
FINANCIAL INDICATORS¹							
2022 consolidated EBITDA (in millions of euros)	22%	77,000	< 98% of target		98% of target	100% of target	≥ 102% of target
2022 consolidated net income, Group share (in millions of euros)	22%	77,000	< 94% of target		94% of target	100% of target	≥ 112% of target
2022 consolidated free cash flow from operating activities (in millions of euros)	22%	77,000	< 91% of target		91% of target	100% of target	≥ 123% of target
Sub-total financial indicators	66%	231,000					
QUANTITATIVE NON-FINANCIAL INDICATORS							
2022 workplace accident frequency rate (in absolute terms) ²	3%	10,500	≥ 7.80			≤ 7.02	
2022 workplace accident severity rate (in absolute terms) ³	3%	10,500	≥ 0.20			≤ 0.18	
Group's V.E rating in 2022 (number of points) ⁴	6%	21,000	< 63	63	64	≥ 65	
Sub-total quantitative non-financial indicators	12%	42,000					
QUALITATIVE NON-FINANCIAL INDICATORS							
Qualitative targets ⁵	22%	77,000					
Sub-total qualitative non-financial indicators	22%	77,000					
Total	100%	350,000					

1. Should the target set for the Chief Executive Officer for each of the three financial objectives exceed 102% of the 2022 consolidated EBITDA target, 112% of the 2022 consolidated net income, Group share target, and 123% of the 2022 consolidated free cash flow from operating activities target, the portion of his variable remuneration for each of the financial objectives will be capped at 150% of the target amount of variable remuneration corresponding to each of these targets.

2. Number of workplace accidents involving Group staff resulting in over 24 hours lost time per million hours worked (all businesses and all geographic areas).

3. Number of days' sick leave (lost-time >24 h) due to workplace accidents involving Group staff per thousand hours worked (all businesses and all geographic areas).

4. Rating obtained by the Group following an assessment by V.E, a non-financial rating agency.

5. The qualitative non-financial objectives set for Frédéric Moyné in respect of the 2022 financial year are linked to progress on projects pertaining to the energy transition in the Overseas Thermal Biomass business, progress on the delivery of other development projects (including targets to broaden the project portfolio and deepen the medium and long-term strategic vision), the improvement of the Group's non-financial performance and safety, human resources, talent management and communications.

Bonus performance share plans and options to subscribe or purchase shares

Under the remuneration policy for corporate officers, Frédéric Moyne was awarded 24,320 performance shares under a “2022 plan” established by the Board of Directors on 1 March 2022 on the basis of the authorisation granted by the General Meeting of 29 May 2020. The plan established, under which 254,265 performance shares were awarded, representing 0.79% of the share capital at 31 December 2021, out of the 846,000 performance shares that could be awarded under the authorisation granted by the General Meeting, representing 2.64% of the share capital at 31 December 2021, this plan representing the second phase of the three-year mechanism comprising three plans staggered from 2021 to 2023, each of which involving around 0.9% of the share capital.

The characteristics of this bonus performance share plan are described in Section 6.4.3.1 on page 289 of this Universal Registration Document.

Benefits in kind, occupational insurance and retirement benefits

The benefits in kind to which Frédéric Moyne will be entitled in his capacity as Chairman and Chief Executive Officer for the 2022 financial year will correspond to:

- the value of the provision of a company car;
- the payment by the Company of the contributions in respect of the insurance cover for loss of employment for company managers and executives (*Garantie Sociale des Chefs et Dirigeants d'Entreprise - GSC*);
- the reintegration of contributions to the occupational insurance plan over and above the maximum amounts set in applicable laws and regulations.

Frédéric Moyne will remain a member of the occupational insurance plan (covering healthcare, incapacity, disability and death) and the AGIRC-ARRCO mandatory group supplementary pension plan open to all the Company's employees categorised as executive staff. His membership of the mandatory group supplementary defined contribution pension plan open to all Company employees will be maintained.

Remuneration and commitments on departure

In 2022, Frédéric Moyne will benefit from the commitments described in Section 2.4.2.8 on pages 141 *et seq.* of this Universal Registration Document.

2.4.4. SHAREHOLDERS' VOTE ON THE REMUNERATION OF CORPORATE OFFICERS

At the General Meeting of 25 May 2021, a large majority approved the remuneration package owed or awarded to the Chairman and Chief Executive Officer in respect of the 2020 financial year (approved by 99.76% compared with 90.14% at the General Meeting of 29 May 2020), as presented to them.

Furthermore, at the General Meeting of 25 May 2021, the shareholders also voted by a large majority in favour of the remuneration policy for corporate officers proposed by the Board of Directors with effect from 1 January 2021 (adopted by 99.77% compared with 95.09% at the General Meeting of 29 May 2020).

At the General Meeting of 25 May 2021, shareholders will be asked to approve:

- the content of the report provided for in Article L. 225-37 of the French Commercial Code on the remuneration of corporate officers, as included in this Universal Registration Document;
- the components of remuneration paid or awarded in respect of the 2021 financial year to the Chairman and Chief Executive Officer, the favourable vote of the General Meeting governing the payment of the variable remuneration of the Chairman and Chief Executive Officer for said financial year (a summary of the remuneration components subject to a vote can be found in Section 7.2.1.2 on pages 300 *et seq.* of this Universal Registration Document);
- the corporate officer remuneration policy applicable as from 1 January 2022 (a summary of the remuneration components subject to a vote can be found in Section 7.2.1.2 on pages 300 *et seq.* of this Universal Registration Document).

2.5. Summary of trading in 2021 in the Company's shares by the corporate officers, their family and friends

Pursuant to Article 223-26 of the AMF's General Regulations, the table below shows the trading reported during the 2021 financial year by the corporate officers, their families and friends in accordance with Article L. 621-18-2 of the French Monetary and Financial Code.

Person reporting transaction	Financial instrument	Type of transaction	Date of transaction	Execution venue	"Price per share (in euros)"	"Amount (in euros)"	Number of instruments	AMF decision and information number
Frédéric Moyne	Shares	Acquisition ¹	03/06/2021	OTC	-	-	23,511	2021DD759332
Bpifrance Investissement	Shares	Subscription ²	02/07/2021	OTC	32.59	648,280,28	19,892	2021DD762664
Frédéric Moyne	Units of the Albioma Relais 2021 mutual fund	Subscription	22/07/2021	OTC	10.00	10,295,78	1,030	2021DD765273
Frédéric Moyne	Units of the Albioma mutual fund	Subscription	22/07/2021	OTC	24.48	4,559,55	186	2021DD765267
Frédéric Moyne	BSAAR warrants	Disposal	09/12/2021	Euronext Growth	12.60	11,844,00	940	2021DD812259

1. Vesting under the "2018" bonus performance share plan

2. Payment in new shares of 50% of the dividend for the 2020 financial year.

2.6. AFEP/MEDEF Code recommendations not applied by the Company

AFEP/MEDEF Code recommendations	Company's explanations
<p>Requirement to retain shares § 22 of the AFEP-MEDEF Code: "The Board of Directors sets a minimum number of shares that corporate officers are required to keep in registered form throughout their term of office. This decision is reviewed at least each time a term of office is renewed. [...] Until this minimum is achieved, corporate officers are required to allocate to this end a portion determined by the Board of the option exercises or performance shares they receive. This information can be found in the corporate governance report."</p>	<p>Corporate officers are only formally required to keep in registered form, until the end of their terms of office, 25% of the performance shares vesting under the bonus performance share plans for which they are eligible, as the Board of Directors has not introduced any separate rule that would require them to hold an increasing number of shares throughout their terms of office. However, the very large number of shares held by the Chairman and Chief Executive Officer as at 31 December 2021 is sufficient to act as an incentive for him to take a long-term approach and exposes him to a significant level of risk that ensures his interests are aligned with those of shareholders. The subscription by the Chairman and Chief Executive Officer of a significant number of warrants under the Group's investment plan for key managers launched by the Board of Directors in 2018 improves this alignment. See additional information in Sections 2.4.2.7 on pages 139 et seq. 6.4.3.1 on pages 285 et seq. and 6.2.2.2 on pages 274 et seq. of this Universal Registration Document.</p>

2.7. Related-party agreements and commitments, information on related parties

2.7.1. INTERNAL ASSESSMENT PROCEDURE FOR THE AGREEMENTS FALLING WITHIN THE SCOPE OF ARTICLES L. 225-38 AND 39 OF THE FRENCH COMMERCIAL CODE

On 27 April 2020, the Board of Directors approved a Charter for evaluating related-party agreements setting out the applicable laws and regulations and defining an internal procedure allowing the identification, classification and evaluation of agreements falling within the scope of Articles L. 225-38, L. 225-39 and L. 225-42 of the French Commercial Code.

This Charter can be found on the Company's website. Its application is regularly assessed by the Board of Directors, deliberating on the recommendations of the Audit, Accounts and Risks Committee.

The key principles of the procedure put in place are as follows.

- When a draft agreement to be entered into by the Company is felt to potentially fall within the scope of Articles L. 225-38, L. 225-39 and L. 225-42 of the French Commercial Code it must be referred to the Group's Ethics Officer.
- The Ethics Officer, having regard to the principles set out in the Charter, is tasked with determining whether the draft agreement does indeed come under the Charter (where this is not the case the agreement is immediately green-lighted) and, as the case may be, classifying this draft agreement as follows:
 - in the category of forbidden agreements referred to in Article L. 225-42 of the French Commercial Code, such a classification immediately terminating any plans to sign the agreement;

- in the category of agreements referred to in Article L. 225-39 of the French Commercial Code involving arm's length transactions, such a classification resulting in the immediate green-lighting of the agreement. Any such agreements are subject to an annual review by the Board of Directors, deliberating on the recommendations of the Audit, Accounts and Risks Committee. This is to assess whether the classification is appropriate and to ensure it continues to be pertinent in light of changing circumstances;
- in the category of agreements referred to in Article L. 225-38 of the French Commercial Code, such a classification requiring the inclusion on the agenda of a meeting of the Board of Directors of a decision to authorise the signing of the agreement. Such agreements, detailed on the Company's website, are also notified to the Statutory Auditors for the purposes of drafting their special report referred to in Article L. 225-40 of the French Commercial Code, made available to shareholders who will be asked to subsequently approve these agreements at the General Meeting, and subject to an annual review by the Board of Directors, deliberating on the recommendations of the Audit, Accounts and Risks Committee, to determine whether the classification continues to be pertinent in light of changing circumstances.

The Ethics Officer did not, pursuant to the Charter, receive any request to review any agreements to be entered into by the Company in the 2021 financial year..

2.7.2. SPECIAL REPORT BY THE STATUTORY AUDITORS ON RELATED-PARTY AGREEMENTS

PricewaterhouseCoopers Audit

63 rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars

Tour Exaltis – 61 rue Henri Regnault
92400 Courbevoie

To the Albioma General Meeting,

In our capacity as Statutory Auditors of your Company, we are pleased to present our report on related-party agreements. We are required to present to you, on the basis of information provided to us, the features and main terms and conditions of the agreements we have been informed of or that we have identified in the course of our audit work, and the reasons why they are in the interest of the Company. We are not required to comment as to whether they are beneficial or appropriate, or to ascertain the existence of any other agreements. It is your responsibility, in accordance with Article R.225-31 of the French Commercial Code, to assess the benefits of these agreements and commitments prior to their approval.

In addition, we are required, where applicable, to provide you with the information referred to in Article R.225-31 of the French Commercial Code concerning the continued performance during the past financial year of the agreements previously approved by the General Meeting.

We followed the procedures that we considered necessary to comply with professional guidance given by the national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) relating to this type of assignment.

AGREEMENTS SUBMITTED TO THE GENERAL MEETING FOR APPROVAL

We have not been advised of any agreement authorised and entered into during the past financial year that needs to be submitted for approval at the General Meeting in accordance with Article L. 225-38 of the French Commercial Code.

AGREEMENTS ALREADY APPROVED BY THE GENERAL MEETING

We hereby inform you that we have not been advised of any agreement that has already been approved by the General Meeting that continued to be performed during the past financial year.

Neuilly-sur-Seine and Courbevoie, 28 April 2022.

The Statutory Auditors,

PricewaterhouseCoopers Audit

Jérôme Mouazan

Mazars

Daniel Escudeiro

2.7.3. AGREEMENTS GOVERNED BY ARTICLE L. 225-37-4 (2) OF THE FRENCH COMMERCIAL CODE

None.

2.7.4. INFORMATION ON RELATED PARTIES

Additional information about related parties is disclosed in Note 36 to the 2021 consolidated financial statements, in Section 4 on page 213 of this Universal Registration Document.

ACTIVITIES AND RESULTS FOR THE YEAR ENDED 31 DECEMBER 2021

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3.1. Key figures

3.1.1. FINANCIAL DATA

<i>In millions of euros</i>	2021	2020	Change
Revenue	573.3	506.7	13%
EBITDA	214.8	206.4	4%
Net income, Group share	59.0	55.3	7%

3.1.2. INSTALLED CAPACITY AND PRODUCTION

	Operated capacity (in gross MW)			Production (in GWh)		
	2021	2020	Change	2021	2020	Change
Albioma Bois-Rouge	108	108	-	481	605	(123)
Albioma Le Gol	122	122	-	669	713	(44)
Albioma Le Moule ¹	102	102	-	462	340	122
Albioma Galion ²	80	80	-	248	268	(20)
Albioma Saint-Pierre	41	41	-	31	14	18
France	453	453	-	1,892	1,940	(48)
OTEO La Baraque	90	90	-	543	521	23
Terragen	70	70	-	443	376	67
OTEO Saint-Aubin	35	35	-	227	231	(4)
Mauritius	195	195	-	1,213	1,128	85
Albioma Rio Pardo Termoeletrica	60	60	-	92	81	11
Albioma Codora Energia	68	68	-	179	173	7
Albioma Esplanada Energia	65	65	-	151	120	31
UTE Vale do Paran Albioma ³	49	49	-	172	3	168
Brazil	242	242	-	594	377	217
Thermal Biomass	890	890	-	3,698	3,445	254
Gmsky Jeotermal Enerji retim ⁴	13	-	13	49	-	49
Turkey	13	-	13	49	-	49
Geothermal Power	13	-	13	49	-	49
French overseas departments and regions ⁵	82	74	8	89	85	5
Outside France	4	4	-	6	6	0
Metropolitan France ^{6,7}	23	31	(8)	30	37	(7)
Solar Power	109	109	0	126	128	(2)
Group Total	1,012	998	14	3,873	3,573	300

1. Including Albioma Carabes.

2. Including the Galion 2 power plant, commissioned on 26 September 2018.

3. Commissioning, on 25 December 2020, of the UTE Vale do Paran Albioma power plant (in which Albioma has a 40% stake).

4. Acquisition of the Gmsky Jeotermal Enerji retim power plant in Turkey on 26 January 2021.

5. Commissioning of 4.5 MWp in Mayotte and 3.5 MWp on Reunion Island.

6. Including a 0.5 MW hydroelectric plant.

7. Disposal of OTS and Corbieres Photo 1 (9 MWp) on 21 April 2021: 2.2 GWh produced as at the end of March 2021 (10.1 GWh produced in 2020).

3.1.3. AVAILABILITY RATE

The availability of a production facility is the ratio between the energy actually produced by the thermal power plant during a given period and the energy that could theoretically be produced by that plant during that same period. The availability of a production facility is adversely affected mainly by the downtime needed for the scheduled maintenance work or by unplanned shutdowns.

The terms of the agreements entered into with EDF for the thermal power plants located in Overseas France include availability targets. If the plants' availability during the financial year is higher than that specified in the agreement, the plant receives additional remuneration known as a "bonus". If it is lower than the specified rate, the plant's remuneration is reduced by a "malus". As regards the agreements entered into with EDF for the purposes of making the plants compliant with the Industrial Emissions Directive (IED) or the biomass conversion of plants, the targets are adjusted to take into account the increased downtimes.

	2021	2020
Albioma Bois-Rouge	85.8%	88.3%
Albioma Le Gol	89.1%	90.9%
Albioma Le Moule ¹	92.9%	70.3%
Albioma Galion ²	92.1%	91.5%
Albioma Saint-Pierre	96.8%	94.5%
French overseas departments and regions Total³	90.5%	86.2%
Terragen	95.6%	93.3%
OTEO Saint-Aubin	93.0%	93.4%
OTEO La Baraque	92.7%	89.6%
Mauritius Total	93.8%	91.6%
Group Total⁴	91.4%	87.7%

1. Including Albioma Caraïbes.

2. Including the Galion 2 power plant, commissioned on 26 September 2018.

3. French overseas departments and regions total excluding ALM-3 work in 2020: 91.7%.

4. Excluding Brazil.

3.2. Highlights of the year

3.2.1. FRANCE - THERMAL BIOMASS BUSINESS

3.2.1.1. Maintenance shutdowns during the second half of the year and significant decrease in duty rates on Reunion Island.

At 31 December 2021, total installed thermal capacity in Overseas France was unchanged from that at 31 December 2020.

The availability rate in 2021 was 90.5%, compared with 86.2% in 2020. Despite some technical incidents in the first half of the year at the Albioma Bois-Rouge and Albioma Le Moule plants, the plants were able to rapidly resume normal operation thanks to the work of the maintenance teams and the availability of replacement parts. The scheduled maintenance shutdowns during the second half of the year were carried out successfully. In 2020, availability was affected by the shutdown of tranche 3 of the Le Moule plant at the beginning of March to enable work to be carried out on the biomass conversion of the plant. Financial compensation for this shutdown had been provided under the agreement rider signed with EDF for this work. Excluding the shutdown of tranche 3 of the Le Moule plant, the availability rate was 91.7% in 2020.

Tranche 3 of the Le Moule plant, which has operated 100% on biomass since November 2020, posted an excellent performance in 2021, with a record availability rate of 97.7%.

Power generation totalled 1,892 GWh, lower than in 2020 (1,940 GWh), mainly due to EDF's significant decrease in the duty rate of the thermal power plants on Reunion Island, with the merit order adversely affected several times in an unprecedented context of soaring coal and CO₂ prices in 2021.

3.2.1.2. Changes in the economic and regulatory environment

Coal prices increased significantly in 2021 due to the worldwide recovery in business. Prices averaged €123 per tonne over the year, compared with €78 per tonne in 2020. Average fuel-oil prices were also higher than in 2020. These price movements have had a positive impact on the Group's revenue but do not significantly affect profit margins, as electricity sale prices are contractually indexed to the cost of fuel (up €33.1 million).

The unprecedented increases in coal and CO₂ prices during the year led to a significant increase in the price of coal-fired electricity, making it less competitive than other, less CO₂-emitting electricity sources. As a result, some of the Group's power plants, particularly on Reunion Island, were significantly less

called by EDF during the second half of the year, leading to a sharp deterioration in the efficiency of the facilities concerned.

The high price of CO₂, which by the end of 2021 was around €90 per tonne, nevertheless fully validates the Group's strategy, i.e. its commitment to the biomass conversion of all of its thermal power plants that are still coal-fired.

Two new riders to the agreements for the sale of electricity produced by the Albioma Galion plant in Martinique and the Albioma Saint-Pierre plant on Reunion Island were signed with EDF on 2 December 2021 and 10 February 2022 respectively, following a favourable opinion from the French energy regulator (Commission de Régulation de l'Énergie - CRE). They enable the inclusion, in these plants' remuneration, of compensation for part of the additional costs incurred during their construction.

3.2.1.3. Project development: work continues on the conversion of the three tranches of the Albioma Bois-Rouge power plant to biomass operation

The conversion of the Bois-Rouge power plant to 100% biomass operation, begun during the first half of 2021, continued under good conditions. A rider to the credit agreement signed on 23 December 2016 was agreed on 8 April 2021 for an additional amount in order to finance this work, maturing on 31 December 2039. Priority will be given to locally-available biomass resources (bagasse, forest wood, pruning waste, etc.) supplemented by imported traceable (in accordance with the European Union timber regulation) and sustainable (FSC or PEFC certification is required from the Group's suppliers) biomass, in the form of wood pellets. Ultimately, the conversion will increase the proportion of renewables in Reunion Island's energy mix from 35% to 51% and reduce greenhouse gas emissions by some 640,000 tonnes of CO₂ equivalent per year, i.e. an 84% decrease in direct emissions compared with the plant's current operation.

The Group is continuing to develop its projects, including those relating to the biomass conversion of the rest of its thermal plants in Overseas France in the coming years.

3.2.1.4. Diversification of the Group's sustainable biomass supply sources

On 27 December 2021, the Group finalised the acquisition of the La Granaudière wood pellet production plant located in the Canadian province of Quebec. This transaction, marking the culmination of a process organised by Raymond Chabot in its capacity as official receiver, will diversify the Group's sources of sustainable biomass supplies, supplementing the existing portfolio of contracts with top-tier international suppliers. Ideally placed to supply the Group's plants in the French Caribbean, the plant produces SBP-certified pellets from wood waste or low-grade wood from sustainably-certified forests. The transaction also includes a long-term agreement granting access to a 45,000-tonne pellet storage

facility in the Port of Quebec, as well as raw material supply guarantees issued by Quebec's Ministry of Forests, Wildlife and Parks (MFFP). The plant, which has been out of service since July 2021, concomitantly with the receivership procedure, is due to be recommissioned in early 2022, with its nominal annual production capacity of 200,000 tonnes being achieved following some additional investments.

3.2.2. FRANCE AND SOUTHERN EUROPE – SOLAR POWER BUSINESS

3.2.2.1. Stable production

Albioma operates photovoltaic power plants with a total capacity of 109 MWp, unchanged from the position at 31 December 2020. On 21 April 2021 the Group sold 9 MWp of non-controlling interests in the companies OTS and Corbière Photo 1, which were acquired when it bought Eneco France at the end of 2018. In addition, new power plants with a capacity of 8 MWp were commissioned on Reunion Island and in Mayotte in particular, as a result of tenders won in previous years.

At 123 GWh, photovoltaic power generation was stable compared with 2020 despite the particularly unfavourable sunshine conditions in French Guiana, which were partially offset by the generation of the newly-commissioned plants on Reunion Island and in Mayotte.

3.2.2.2. Changes in the economic and regulatory environment

Article 54 sexies of the 2021 Finance Act voted on 16 December 2020 provided for the possibility of revising tariffs downwards for solar power purchase agreements signed between 2006 and 2010. The decrees setting out the terms of application and specifying the level of the reduction were published in November 2021 and are effective from 1 December 2021. The impact on the Group's full-year revenue would be €3 million. Only two ground-based projects representing 9 MWp are significantly impacted, the other projects are not affected or are subject to no or inconsiderable reductions. For the two installations which are significantly affected, the Group has exercised the safeguard clause with the CRE, as provided for by law, in order to negotiate a more reasonable reduction in the tariff. The activation of this clause suspends the application of the revision for 18 months following the date of application. Provisions for risk and impairment of assets were recognised at 31 December 2021 to take into account the downward revision of revenues if this is confirmed.

3.2.2.3. Project development: continuing the construction of new facilities and winning new projects in the latest calls for tenders

The Group has continued to develop and build photovoltaic power plant projects in all regions during the year.

Since the beginning of the year, it has won 11.7 MWp of projects during the latest calls for tenders in Metropolitan France. These are in addition to the 17.4 MWp won during the CRE's most recent calls for tenders relating to the construction and operation of solar power generation facilities in areas classified as "non-interconnected regions". This capacity is distributed across 23 projects located in the Overseas France regions in which Albioma already operates: Reunion Island, Mayotte, Martinique, French Guiana and Guadeloupe. Throughout the call for tenders (consisting of five submission periods since April 2020), the Group has confirmed its status as the leading photovoltaic energy provider in Overseas France. Construction of these projects is scheduled to start in 2022.

3.2.3. BRAZIL

3.2.3.1. Excellent operational performance in the first year of operation by the Vale do Paraná power plant, commissioned on 25 December 2020

The real continued to weaken against the euro during 2021, with an average exchange rate of BRL 6.38/EUR 1 compared with BRL 5.89/EUR 1 in 2020. Nevertheless, its value began to rise slightly at the end of the period and in early 2022. Inflation rose considerably again, driven by increases in the price of energy, fuels and food pushing the financing rate up. The CDI interbank rate rose to 9.3% at the end of December 2021 compared with 1.9% at the end of 2020, following a succession of key rate increases by the central bank. The drought that affected the level of the reservoirs of the hydraulic dams, at their lowest level in 91 years, resulted in the MWh spot price reaching the regulatory cap of BRL 584/MWh between July and September. With the return of the rains, however, it fell back to less than BRL 70/MWh at the end of the year.

The three existing power plants recorded an excellent performance, with a production of 422 GWh, an increase of almost 13% compared to the previous year (373 GWh). The newly commissioned Vale do Paraná power plant produced nearly 172 GWh, exceeding expectations. The results of this entity, in which the Group has a 40% interest, are booked using the equity method.

The average sale price in 2021 benefited from the application of new agreements, including that of the Albioma Esplanada Energia power plant on the regulated market, amounting to 75 GWh per year for 20 years at a 2021 base sale price of BRL 292/MWh. Part of the production of some

plants was, in addition, sold at prices of around BRL 1,500/MWh as part of the emergency regulated auctions set up by the government to offset the production deficit.

In order to limit its exposure to volatile spot prices, the Group has secured more than 90% of its sales for the coming years via long-term power purchase agreements under tenders organised by the regulator or short-term contracts negotiated with industrial customers.

3.2.3.2. Securing of energy sales by the Albioma Codora Energia plant

On 8 July last, Albioma Codora Energia won a competitive tender for a new 20-year power sales agreement beginning in 2025, amounting to 64 GWh/year at a guaranteed, inflation-indexed price of BRL 202/MWh. This agreement can be honoured thanks to the increased volume of sugar cane milled in the adjoining sugar refinery and the recovery of energy from vinasse (ethanol distillation residue). Most of the energy produced by Albioma Codora Energia is already sold on the regulated market under long-term, index-linked agreements.

3.2.4. MAURITIUS

The Group's plants in Mauritius had a combined thermal capacity of 195 MW at 31 December 2021, unchanged from 31 December 2020. The Mauritian plants are booked using the equity method.

The availability rate was 93.8%, higher than in 2020 (91.6%). Production also increased to 1,213 GWh compared with 1,128 GWh in 2020, due to the rise in the duty rates resulting from the upturn in activity on the island.

3.2.5. GEOTHERMAL ENERGY

The Group's entry into a new business offering significant technical added value with the acquisition of its first geothermal power plant in Turkey

On 26 January 2021, Albioma completed the acquisition of a 75% stake in the geothermal energy producer Gümüşköy Jeotermal Enerji Üretim located in the Izmir region. The remaining 25% has been acquired by Egesim, an industrial services provider well regarded within the industry in Turkey. This is the Group's first geothermal power plant. The acquisition gives Albioma a bridgehead in a new business characterised by significant technical added value, offering a strong fit with the Group's well-established biomass and solar energy businesses. This investment diversifies the Group's production mix and is fully consistent with the strategic approach announced by Albioma, which aims to increase the proportion of renewable energy in its mix to between 95% and 100% by 2030. Geothermal power is locally produced, economically competitive and available 24/7, transforming heat from below the earth's surface into electricity. Like biomass, geothermal energy production is controllable, which enhances the dependability of electrical networks and facilitates the development of other, intermittent energy sources such as solar power.

With an installed capacity of more than 1,600 MW, Turkey ranks fourth in the world for installed geothermal capacity, with considerable potential for future development. Commissioned in 2013, the Gümüşköy power plant (which generates 13 gross MW) uses heat from four production shafts to generate electricity under the terms of an operating licence valid until 2040 (with the option of extending its term for an additional 10-year period). The plant currently exports up to 45 GWh of renewable electricity to the grid annually, with a "dollarised" feed-in tariff of approximately USD 105/MWh, valid until the end of 2023. Working with the existing personnel retained by Albioma, improvement works have been carried out at the facility to increase output.

The power plant performed well with an output of 49 GWh, in line with expectations and up from 46 GWh last year. The work to increase production carried out in the second half of the year with the support of the local teams has already led to improvements in recent months and should bear full fruit in 2022.

3.2.6. HOLDING COMPANY

3.2.6.1. Capital increase reserved for Group savings plan subscribers and international Group savings plan subscribers

Albioma carried out a capital increase reserved for employees, executives and former employees subscribing to the Group savings plan in France and the international Group savings plan in Brazil, starting on 5 May 2021. This new programme is part of the Group's policy of increasing the number of medium- and long-term employee shareholders and provides them with regular opportunities to indirectly invest in Albioma shares on preferential terms.

The purpose of this programme, called "Albioma Invest 2021", was to give employees a stake in the Group's results and future success by aligning their interests with those of shareholders. It has enabled eligible Group employees and executives to indirectly invest in Albioma stock on preferential terms and, in the case of those fiscally resident in France, to benefit from a favourable tax regime. In return, the investment of subscribers will be locked in for five years.

The beneficiaries could subscribe to the offer in either of the following investment plans:

- a "Classic" plan via the Albioma Relais 2021 corporate mutual fund (FCPE), which merged with the Albioma FCPE's "Albioma Classic" compartment following Supervisory Board approval of both funds. Under this plan, the value of the employee's investment will rise and fall with the Albioma share price. Employees received a 30% discount and a share contribution by the employer;
- a "Multiple" plan via the Albioma FCPE's "Albioma Multiple 2021" compartment. Under this plan, the subscriber is guaranteed that the higher value of either (i) a guaranteed return on his or her personal contribution or (ii) a multiple of the protected average rise in the Albioma share price will be added to the amount of his or her personal contribution. In return, the subscriber does not receive any dividends or other income from the Albioma shares subscribed under the "Albioma Multiple 2021" compartment and the 30% discount.

3.2.6.2. Opening of the exercise period and admission to trading on Euronext Growth of the BSAAR warrants issued in 2018

The exercise and liquidity period for the redeemable share subscription and/or purchase warrants (BSAAR) issued in 2018 opened on 6 December 2021 for a three-year period expiring on 4 December 2024. In accordance with the terms and conditions of the BSAAR warrants, the 1,071,731 BSAAR warrants issued, initially divided among 31 subscribers (including the Chairman and Chief Executive Officer, who himself was assigned 110,650 BSAAR warrants), were admitted to trading on Euronext Growth on 6 December 2021 under ISIN code FR0013368438. During the exercise period, the BSAAR warrants will be exercisable at a unit price of €20.90, each BSAAR entitling its holder to one Albioma share.

3.2.6.3. Cyber attack

A ransomware attack on Albioma's office IT network was detected on 4 May last. The Group's IT teams, accompanied by cybersecurity experts, quickly went into action and were able to restore the situation in a short space of time. The attack had no impact on industrial activities, and all Group plants continued to operate normally after being isolated from the office network affected by the attack. The detailed investigations conducted by the cyber security experts revealed that some of Albioma's data had been exfiltrated. The appropriate vigilance and protective measures for the situation have been taken.

3.2.6.4. Continued progress in sustainable development rewarded by the Gaïa ESG Rating

Albioma has been included in the top third of the national ranking of the Gaïa Index, the benchmark for ESG (environment, social and governance) ratings, which evaluated 390 French mid-cap listed stocks in 2021, up from 230 French stocks in 2020. A member of the index since 2014, Albioma was awarded a score of 73/100, which has been steadily increasing over the past two years, with a significant rise of 7 points. Albioma is thus ranked above the average of the national benchmark (59/100). Already distinguished for several years by V.E (formerly Vigeo Eiris), another socially responsible investment benchmark, the Gaïa ranking is the reward for Albioma's strong commitment in terms of governance, social and environmental policy and dialogue with its external stakeholders.

The Group also participated for the first year in the CDP (Carbon Disclosure Project) and obtained a score of C.

3.2.6.5. 2020 dividend

The Ordinary and Extraordinary General Meeting of Shareholders on 25 May 2021 approved the payment of a dividend of €0.80 per share with an option for the payment of 50% of the dividend in the form of new shares. The option, which could be exercised from 14 June to 5 July 2021, resulted in the subscription of 212,751 new shares, giving a reinvestment rate of 54.80%.

3.3. Comments on the consolidated financial statements

3.3.1. INCOME STATEMENT

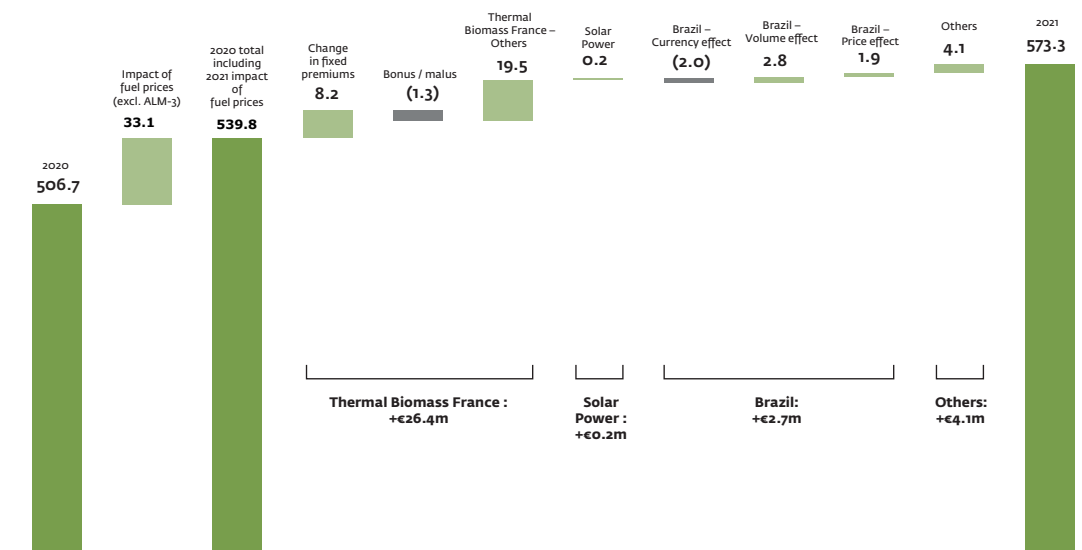
3.3.1.1. Revenue

In millions of euros	2021	2020	Change
France – Thermal Biomass	495.0	435.4	14%
France and Southern Europe – Solar Power	49.1	48.9	0%
Brazil	24.1	21.4	13%
Holding company and Others	5.2	1.1	n/s
Revenue	573.3	506.7	13%

Revenue for 2021 was up 13% compared with 2020.

The change can be analysed as follows:

In millions of euros



After stripping out the negative impact of the downturn in the value of the Brazilian real and the impact of fuel price changes amounting to –€33.1 million (resulting from changes in the average prices of coal and fuel oil between 2020 and 2021, with no direct notable effect on the profit margin due to electricity sales prices being contractually indexed to the cost of fuel), revenue rose by 7%. This increase was due to the combined effects of:

- the full-year effect of the increase in the fixed premium and the variable remuneration from the Le Moule power plant since the biomass conversion of its tranche 3 began in November 2020;
- Increases in fixed premiums as a result of the signing of new riders for Albioma Galion and Albioma Paint-Pierre;
- excellent performance by the Brazilian plants, where production was up by 13% compared with last year and which were able to sell some of their production at particularly high prices due to the drought that hit certain regions of the country, leading to record electricity prices;
- the scope effect of including the revenue from the Gümüşköy geothermal power plant since 27 January 2021.

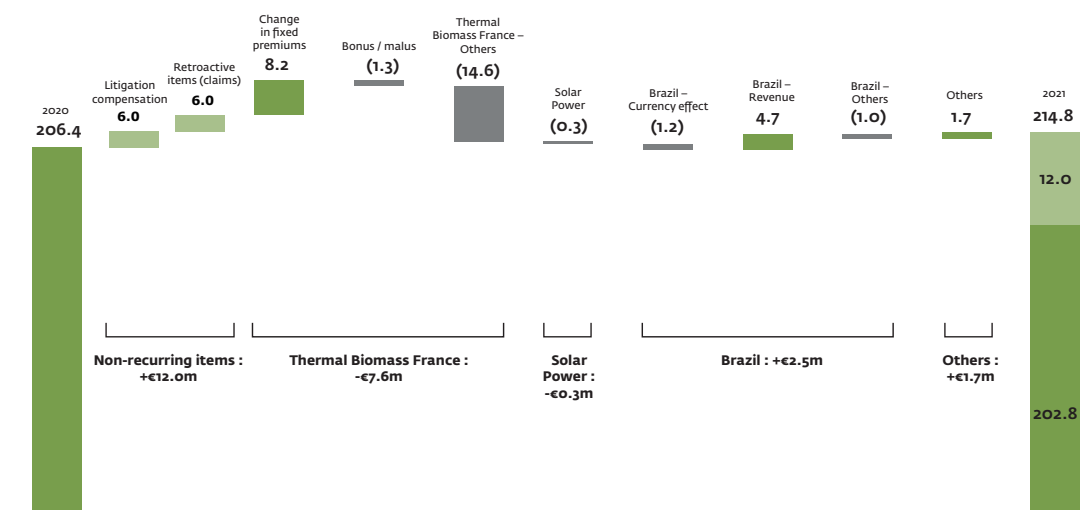
These positive effects offset the downturn in bonuses following the technical incidents that occurred early in 2021.

3.3.1.2. EBITDA

In millions of euros	2021	2020	Change
France – Thermal Biomass	166.7	162.3	3%
France and Southern Europe – Solar Power	34.5	34.8	(1%)
Brazil	14.5	12.0	21%
Holding company and Others	(0.9)	(2.6)	n/s
EBITDA	214.8	206.4	4%

EBITDA came to €214.8 million, a 4% increase compared with 2020.

In millions of euros



EBITDA for the Thermal Biomass France business was up 3%. It includes the recognition of several non-recurring income items following the settlement of a dispute with a supplier and the signing of new EDF riders which enabled the Albioma Galion and Albioma Saint-Pierre plants to benefit from retroactive pricing compensation for the assumption by EDF of part of the additional construction costs. Excluding non-recurring items, it was down 5%. The activity was penalized by the sharp drop in the duty rates of coal-fired power plants in connection with the changes in coal and CO₂ prices. This drop in duty rates has led to a significant deterioration in efficiency for the least called tranches. The technical incidents that occurred early in the year also led to a slight increase in malus. Maintenance expenses are up following 2020, a year marked by reduced maintenance operations due to the COVID-19 health crisis making such operations more complex.

Despite the commissioning of new plants on Reunion Island and in Mayotte, EBITDA for the Solar Power business was down by 1%, due mainly to poor sunshine conditions, particularly in French Guiana.

EBITDA for the Brazil business was up 21% thanks to the excellent operational performance of its plants and record electricity prices due to the shortage resulting from the drop in hydroelectric production following the severe drought that affected certain parts of the country. This value now includes the share of net income from UTE Vale do Paraná Albioma (consolidated using the equity method), as the Group only holds a 40% non-controlling interest in this entity.

Group EBITDA also benefits from the contribution of the new geothermal entity, Gümüşköy Jeotermal Enerji Üretim, since its acquisition on 26 January 2021.

3.3.1.3. Charges for depreciation, amortisation and provisions and other non-cash items

The increase in charges for depreciation, amortisation and provisions to –€78.5 million compared with –€73.0 million in 2020 was due mainly to the additional capitalisation of equipment relating to the conversion of tranche 3 of the Le Moule power plant in Guadeloupe, the commissioning of new photovoltaic plants on Reunion Island and in Mayotte, the inclusion of the Gümüşköy power plant and the impairment of the photovoltaic assets impacted by the revision of the S06-S10 tariffs. This item also includes a €3.4 million depreciation charge in respect of the right-of-use asset recognised in the statement of financial position in respect of operating leases in accordance with IFRS 16. This charge is higher than in 2020 due to the acquisition of the Gümüşköy power plant and the Group entering into additional leases.

The charges for amortisation of electricity and steam supply agreements decreased slightly to €6.8 million compared with €6.9 million in 2020. Part of the acquisition price of the Gümüşköy power plant in Turkey has been allocated to the operating licence, which is amortised over the licence's life ending at the end of 2039.

Charges to provisions net of reversals stood at €1.1 million compared with €4.1 million in 2020. Provision reversals correspond in particular to the coming to an end of a liabilities guarantee (which had been the subject of a provision) and the reversal of a provision relating to the risks of costs being incurred in respect of the disposal of combustion by-products on Reunion Island, which could be processed during the year.

3.3.1.4. Net financial income (expense)

Cost of financial debt increased from €31.8 million in 2020 to €32.0 million in 2021. This increase was due mainly to the increase in interest expenses related to right-of-use assets resulting from the new land and rooftop leases in connection with the development of the Solar Power business.

The other financial income and expenses includes income from cash investments and income from deposits, as well as exchange gains and losses resulting from revaluations of the derivatives incorporated in the Gümüşköy plant's electricity sales agreements and, symmetrically, the financial debts denominated in US dollars.

3.3.1.5. Tax charge

The tax charge came to €24.2 million, compared with a charge of €26.1 million in 2020. It comprised the tax charge payable in respect of the period and the deferred tax.

The restated normalised tax rate for the period ended 31 December 2021 came to 27.6% compared with 28.3% in 2020. This is down in line with the changes provided for by the Finance Act.

3.3.1.6. Net income, Group share

For the year ended 31 December 2021, net income, Group share, came to €59.0 million, 7% higher than in 2020 (€55.3 million).

1. Restated normalised tax rate: tax rate restated, where relevant, for the effects of impairment losses on which no tax saving would have been recorded because there was no prospect of recovery in the short term, and excluding Brazil.

3.3.2. STATEMENT OF CASH FLOWS

<i>In millions of euros</i>	2021	2020
Cash flow from operations	217.1	209.1
Change in the working capital requirement	(14.4)	(11.9)
Tax paid	(28.7)	(23.5)
Cash flow from operating activities	174.0	173.6
Operating capex	(25.7)	(20.8)
Free cash-flow from operating activities	148.4	152.8
Development capex	(137.3)	(107.7)
Other/acquisitions/disposals	(24.0)	(1.1)
Net cash flow from investing activities	(161.3)	(108.8)
Dividends paid to Albioma shareholders	(18.4)	(14.0)
Borrowings (increases)	186.8	149.3
Borrowings (repayments)	(126.5)	(171.3)
Cost of financial debt	(32.0)	(31.8)
Other	(13.4)	(8.5)
Net cash flow from financing activities	(3.4)	(76.3)
Currency effect on cash and cash equivalents and other changes	(1.0)	(3.7)
Net change in cash and cash equivalents	(17.3)	(35.9)
Opening net cash and cash equivalents	125.2	161.1
Closing net cash and cash equivalents	107.9	125.2

3.3.2.1. Cash flow from operating activities

This item amounted to €174.0 million compared with €173.6 million in 2020. The cash flow from operations increased to around €217 million. The working capital requirement has seen a deterioration of €14.4 million, resulting mainly from the increase in the stocks of fuel and spare parts.

3.3.2.2. Cash flow from investing activities

This item breaks down as follows:

- operating investment expenses: these comprised investment expenses for power plants in operation, primarily in connection with servicing, maintenance, repair, optimisation and modernisation work and investment programmes for the thermal power plants, and improvements to administrative buildings. These expenses totalled €25.7 million, compared with €20.8 million in 2020;
- development investment expenses: these totalled €137.3 million, compared with €107.7 million in 2020. The main components of these expenses were expenses related to the conversion project on Reunion Island and the construction of new photovoltaic power plants.

The other flows are the result of the acquisition, on 26 January 2021, of the Group's first geothermal power plant in Turkey and, on 27 December 2021, of a wood pellet production plant in Canada, as well as the disposal of its non-controlling interests in the OTS and Corbières Photo 1 solar power companies.

3.3.2.3. Cash flow from financing activities

Financing activities generated negative cash flow of €3.4 million compared with negative cash flow of €76.3 million in 2020.

New debt was drawn down to finance the work on the biomass conversion of the Bois-Rouge plant, and the continuing work on the construction of new photovoltaic plants on Reunion Island and in Mayotte. In addition, a short-term corporate credit line was drawn down temporarily to finance, during the year, the scaling-up of the conversion work at the Bois-Rouge power plant and, at the end of the year, the acquisition of the wood pellet production plant in Canada.

3.3.3. FINANCIAL STRUCTURE

At 31 December 2021, the Group's equity totalled €503 million. Equity attributable to non-controlling interests was €97 million.

Gross borrowings excluding IFRS 16 lease liabilities stood at €971 million at 31 December 2021, up compared with €901 million at 31 December 2020. They consisted of project debt of €828 million and a corporate debt line of €143 million including the drawing-down of a €19 million short-term credit line. Most of the project debt is without recourse to shareholders with the exception of part of the Brazilian debt and the debt in respect of projects in the construction phase for which Albioma has granted parent company guarantees.

Consolidated net borrowings excluding IFRS 16 lease liabilities came to €859 million after taking into account net cash and cash equivalents of €108 million and security deposits (€5 million of deposits at 31 December 2021). They were 11% higher than at 31 December 2020, when they came to €772 million, due to the decrease in cash compared with the position at 31 December 2020 and the drawing-down of new project debt.

At 31 December 2021, Albioma had a high level of consolidated cash and cash equivalents of €112 million (including €5 million of security deposits), and had appropriate resources to pursue its development.

3.4. Significant changes in the financial or commercial position

None.

3.5. Key events since 1 January 2022 and outlook

3.5.1. EVENTS AFTER THE REPORTING PERIOD

On 14 February 2022, the Group completed the acquisition of the geothermal power plant Turcas Kuyucak Jeotermal Elektrik Üretim (renamed Albioma Kuyucak Jeotermal Elektrik Üretim), in Turkey, by becoming its sole shareholder. On 21 December 2021, the Group announced that it had entered into exclusive negotiations with Turcas Petrol with a view to acquiring a second Turkish geothermal power plant, located in Aydın Province. The favourable opinion of the Turkish competition authorities, obtained on 3 February 2022, allowed the transaction to be finalized. The acquisition confirms Albioma's entry into the geothermal business characterised by significant technical added value, offering a strong fit with the Group's well-established biomass and solar power businesses.

The Kuyucak power plant (which generates 18 MW gross) was commissioned at the end of 2017 and is based on an operating licence expiring in 2042 (with the option of extending its term for an additional 10-year period). It produces electricity from five production shafts for a net exported production at end-2021 of 83 GWh. Until the end of 2022, the plant will benefit from a "dollarised" feed-in tariff of approximately USD 118/MWh and a tariff of USD 105/MWh between 2023 and 2027.

In addition, the Group has taken note of the publication of the CRE's decision on 24 February 2022 validating the rider to the power purchase agreement and ruling on the cost of the entire project to convert the Albioma Le Gol power plant on Reunion Island to biomass, as well as its extension of operation until 2044. This favourable opinion follows the publication of the ministerial decree of 17 January 2022 establishing the rate of return on capital invested in the conversion work, which was set according to the proposal made by the CRE.

As far as the Group is aware, the conflict in Ukraine and the related geopolitical tensions have to date had no impact on the Group's business.

3.5.2. OUTLOOK

3.5.2.1. Long-term outlook

The Group confirms its objective of sustained expansion together with the continuing biomass conversion of its existing power plants, the strengthening of its photovoltaic fleet and the development of new renewable energy production projects in France and abroad. Its investment programme for the 2021-2025 period has a budget of €600–800 million.

3.5.2.2. 2022 objectives¹

The 2022 objectives include the €3 million loss in EBITDA due to the revision of the S06-S10 photovoltaic tariffs and the contribution of the new geothermal power plant acquired in February 2022. They are presented excluding possible new effects related to coronavirus.

<i>In millions of euros</i>	2022
EBITDA	210-220
Net income, Group share	52-60

3.6. Company financial statements

The Company reported net income of €37.8 million in 2021, compared with €23.4 million in 2020.

3.6.1. INCOME STATEMENT

The Company made an operating loss of €6.9 million compared with an operating loss of €5.8 million in 2020. Revenue rose to €37.9 million from €36.2 million in 2020 thanks to an increase in the invoicing of services to subsidiaries. Other operating income totalled €2.5 million. Operating expenses rose from €43.2 million to €47.3 million: expenses related to fuel procurement and ash transport services increased following the resumption of operations at tranche 3 of the Le Moule power plant in Guadeloupe, which had been shut down for several months in 2020 to allow for the necessary work to be carried out to convert it to biomass; staff costs also increased as a result of the strengthening of the engineering teams working on the projects to convert the Group's thermal power plants to biomass and on the construction of new units in France and abroad.

Net financial income increased from €26.5 million to €44.0 million, due mainly to the adjustment in the value of the shares in Albioma Participações do Brasil. Income from

participating interests increased from €42.4 million in 2020 to €43.6 million in 2021.

As regards the net non-recurring income/(expense), for 2021 the Company generated net non-recurring expense of €2.9 million in connection with the delivery to employees of shares under the 2018 bonus performance share plan, which was settled in 2021, and with the exercise of BSAAR warrants at the end of the year through the delivery of treasury shares.

The tax consolidation scope includes the Company and its subsidiaries Albioma Le Moule, Albioma Solaire Guyane, Albioma Solaire Fabrègues, Albioma Solaire Réunion, Albioma Solaire France and Albioma Solar Assets France 1.

3.6.2. STATEMENT OF FINANCIAL POSITION

3.6.2.1. Main items

Long-term investments rose from €264.3 million to €292.4 million due to the acquisition of companies in Turkey and Canada and to the partial reversal of the impairment provision in respect of the shares in Albioma Participações do Brasil.

Receivables fell slightly to €95.8 million due mainly to the changes in the intra-Group current accounts.

Equity totalled €246.4 million.

Borrowings from financial institutions increased to €143.2 million as a result of the drawdown of the €19 million revolving credit facility at the end of the year and the €11.5 issue of new borrowings.

¹ These objectives were set on a comparable basis to that adopted for the Group's historical financial information and in accordance with its accounting methods.

3.6.2.2. Payment times: payments made to suppliers and received from customers

The tables below show the positions concerning trade payables and trade receivables overdue at 31 December 2021.

Trade payables overdue at 31 December 2021

<i>In thousands of euros</i>	Invoices received, unpaid and overdue at the reporting date				Total (1 or more days)
	1 to 30 days	31 to 60 days	61 to 90 days	91 or more days	
Overdue payment categories (A)					
Number of invoices concerned					99
Total amount of invoices concerned (including taxes)	409	52	22	283	767
Percentage of total purchases for the year (including taxes)	1.89%	0.24%	0.10%	1.31%	3.54%
Invoices excluded from (A) relating to payables and receivables in dispute or not recognised					
Number of excluded invoices	-	-	-	-	-
Total amount of excluded invoices	-	-	-	-	-
Benchmark payment terms used to calculate overdue payments	Contractual payment terms				

Trade receivables overdue at 31 December 2021

<i>In thousands of euros</i>	Invoices issued, unpaid and overdue at the reporting date				Total (1 or more days)
	1 to 30 days	31 to 60 days	61 to 90 days	91 or more days	
Overdue payment categories (A)					
Number of invoices concerned					136
Total amount of invoices concerned (including taxes)	2,048	371	13	6,433	8,865
Percentage of revenue for the year (including taxes)	4.94%	0.89%	0.03%	15.52%	21.39%
Invoices excluded from (A) relating to payables and receivables in dispute or not recognised					
Number of excluded invoices	-	-	-	-	-
Total amount of excluded invoices	-	-	-	-	-
Benchmark payment terms used to calculate overdue payments	Contractual payment terms				

3.6.3. DIVIDENDS

Given the growth prospects, the Board of Directors will ask the General Meeting of shareholders to approve the payment of a dividend of €0.84 per share. Exceptionally, in view of the signing on 27 April 2022 of a tender offer agreement in support of the proposed takeover bid by KKR, no option for the payment of 50% of the dividend in new shares will be offered to shareholders.

Appropriation of 2021 net income

In euros

SOURCE OF AMOUNTS TO BE APPROPRIATED	
Net income for the year	37,786,994.44
Retained earnings brought forward	113,866,679.63
Total	151,653,674.07
APPROPRIATION	
To the legal reserve	1,579.03
To the payment of a dividend of €0.84 per share ¹	26,586,241.92
To retained earnings	125,065,853.12
Total	151,653,674.07

1. Based on the number of shares entitled to dividends at 31 December 2021 and excluding the effect of the extra 10% dividend payable on eligible shares.

3.6.4. FIVE YEAR FINANCIAL SUMMARY FOR THE COMPANY

In thousands of euros	2021	2020	2019	2018	2017
Closing share capital					
Share capital	1,234	1,218	1,206	1,191	1,179
Number of shares in issue	32,052,047	31,641,910	31,320,533	30,930,644	30,620,910
Of which treasury shares	401,759	428,444	428,444	811,223	371,983
Operations and results for the year					
Revenue excluding taxes	37,870	36,200	36,730	34,459	28,228
Income before tax, depreciation, amortisation and provisions	38,382	37,085	38,741	30,770	37,336
Tax charge (income)	(3,867)	(1,394)	(1,211)	(367)	(3,386)
Income after tax, depreciation, amortisation and provisions	37,787	23,392	38,900	27,872	31,019
Distributions	26,586 ^{1,2}	24,971 ¹	20,389 ¹	19,578 ¹	18,149 ¹
Earnings per share (in euros)					
Income after tax but before depreciation, amortisation and provisions	1.32	1.22	1.28	1.01	1.33
Income after tax, depreciation, amortisation and provisions	1.18	0.74	1.24	0.90	1.01
Dividend paid	0.84 ^{1,2}	0.80 ¹	0.70 ¹	0.65 ¹	0.60 ¹
Headcount	122³	118³	105³	89⁴	86⁴

1. With option for 50% of the dividend to be paid in new shares.

2. Proposed dividend submitted for approval by the shareholders at the General Meeting to be held on 25 May 2022.

3. Including one corporate officer.

4. Including two corporate officers.

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4.1. Consolidated income statement

<i>In thousands of euros</i>			
	Note	2021	2020
Revenue	6	573,284	506,728
Purchases (including change in stocks)	7	(183,219)	(139,648)
Logistics costs	8	(14,953)	(13,068)
Staff costs	9	(60,371)	(56,337)
Other operating expenses	8	(116,577)	(96,536)
Amortisation of electricity and steam supply agreements		(6,840)	(6,881)
Charges to depreciation, amortisation and provisions	37	(80,023)	(76,161)
Share of net income of equity-accounted companies	18	3,306	1,636
Current operating income		114,608	119,733
Other operating income and expenses	10	13,664	2,749
Operating income		128,272	122,482
Cost of financial debt	11	(32,028)	(31,767)
Other financial income	12	710	534
Other financial expenses	12	(1,436)	(822)
Profit before tax		95,517	90,428
Tax charge	13	(24,182)	(26,059)
Net income for the year from continuing operations		71,335	64,368
Net income from activities held for sale		-	-
Net income		71,335	64,368
Net income attributable to:			
shareholders of Albioma	24	59,024	55,314
non-controlling interests	24	12,311	9,054
Basic earnings per share	24	1.878	1.781
Diluted earnings per share	24	1.828	1.720

The notes form an integral part of the consolidated financial statements.

4.2. Statement of comprehensive income

The statement of comprehensive income presents the net income for the period as well as income and expenses for the period recognised directly in equity, in accordance with IFRS.

<i>In thousands of euros</i>	2021	2020
Net income	71,335	64,368
Actuarial gains and losses on employee benefits	6,376	(7,830)
Deferred tax on actuarial gains and losses	(1,613)	2,018
Items not available for recycling through profit or loss	4,763	(5,812)
Translation adjustments ¹	(1,543)	(24,744)
Cash flow hedges (interest rate swaps)	25,356	(5,269)
Deferred tax relating to cash flow hedges	(6,490)	1,163
Items available for recycling through profit or loss	17,323	(28,850)
Comprehensive income	93,420	29,706
Comprehensive income attributable to:		
shareholders of Albioma	78,279	28,003
non-controlling interests	15,142	1,703

1. Translation adjustments are presented after taking account of the effect of hedges of a net investment in a foreign operation, which amounted to -€0.1 million in 2021 compared with €0.3 million in 2020.

The notes form an integral part of the consolidated financial statements.

The change in comprehensive income mainly reflects the effect of the change in interest rates on the measurement at fair value of cash flow hedging instruments (interest rate swaps), the effect of the modification of the actuarial assumptions used to measure employee benefits and the impact of the change in the exchange rates of the Brazilian real and the Turkish lira against the euro.

4.3. Consolidated statement of financial position

ASSETS

<i>In thousands of euros</i>	Notes	31/12/2021	31/12/2020
NON-CURRENT ASSETS			
Goodwill	14	15,591	16,884
Intangible assets	15	90,450	93,501
Right-of-use assets (IFRS 16)	17	29,099	28,515
Property, plant and equipment	16	1,384,259	1,283,434
Non-current financial assets	19	13,072	5,058
Investments in associates	18	25,667	22,753
Deferred tax assets	29	2,439	2,472
Other non-current assets		99	99
Total non-current assets		1,560,579	1,452,715
CURRENT ASSETS			
Stocks and assets in progress	22	75,798	60,327
Trade receivables	21	95,810	67,462
Other current operating assets	23	36,699	44,433
Cash and cash equivalents	20	107,860	125,792
Total current assets		316,167	298,014
Total assets		1,876,466	1,750,730

The notes form an integral part of the consolidated financial statements.

EQUITY AND LIABILITIES

<i>In thousands of euros</i>	Notes	31/12/2021	31/12/2020
SHAREHOLDERS' EQUITY, GROUP SHARE			
Share capital	24	1,234	1,218
Additional paid-in capital		76,557	64,807
Reserves		409,209	362,784
Translation reserves		(43,082)	(41,549)
Net income for the year		59,024	55,314
Total shareholders' equity, Group share		502,942	442,574
Non-controlling interests		96,544	89,762
Total equity		599,486	532,337
NON-CURRENT LIABILITIES			
Employee benefits	27	48,612	52,605
Provisions for liabilities	28	3,392	6,633
Deferred tax liabilities		22,975	18,617
Non-current financial debt	25	860,174	822,830
Lease liabilities related to right-of-use assets (IFRS 16)	25	39,982	36,682
Non-current derivatives	26	32,543	55,023
Total non-current liabilities		1,007,678	992,391
CURRENT LIABILITIES			
Trade payables	30	91,328	71,106
Tax and social security liabilities	31	43,032	42,911
Current financial debt	25	110,795	79,172
Lease liabilities related to right-of-use assets (IFRS 16)	25	2,010	1,777
Other current operating liabilities	32	22,417	31,035
Total current liabilities		269,582	226,002
Total equity and liabilities		1,876,746	1,750,730

The notes form an integral part of the consolidated financial statements.

4.4. Statement of changes in shareholders' equity

<i>In thousands of euros</i>	Share capital	Additional paid-in capital	Reserves and retained earnings	Cash flow hedges	Translation differences	Shareholders' equity, Group share	Non-controlling interests	Total equity
Shareholders' equity at 31/12/2019	1,206	55,627	422,773	(32,097)	(22,363)	425,146	95,367	520,513
Dividends paid	10	7,805	(21,823)	-	-	(14,008)	(7,308)	(21,316)
Performance shares	-	-	1,833	-	-	1,833	-	1,833
Transactions between shareholders	-	-	-	-	-	-	-	-
Treasury shares	-	-	191	-	-	191	-	191
Capital increases	2	1,375	-	-	-	1,377	-	1,377
Changes in the consolidation scope	-	-	32	-	-	32	-	32
Total transactions with shareholders	12	9,180	(19,767)	-	-	(10,575)	(7,308)	(17,883)
Change in translation adjustment	-	-	-	-	(19,186)	(19,186)	(5,558)	(24,744)
Change in actuarial gains and losses	-	-	(5,065)	-	-	(5,065)	(747)	(5,812)
Change in fair value of hedging derivatives	-	-	-	(3,060)	-	(3,060)	(1,046)	(4,106)
Sub-total of items recognised in equity	-	-	(5,065)	(3,060)	(19,186)	(27,311)	(7,351)	(34,662)
Net income for the period	-	-	55,314	-	-	55,314	9,054	64,368
Total comprehensive income for the period	-	-	50,249	(3,060)	(19,186)	28,003	1,703	29,706
Shareholders' equity at 31/12/2020	1,218	64,807	453,255	(35,157)	(41,549)	442,574	89,762	532,337
Other changes – IFRIC IAS 19	-	-	361	-	-	361	16	377
Dividends paid	8	6,926	(25,352)	-	-	(18,418)	(8,958)	(27,376)
Performance shares	-	-	5,314	-	-	5,314	-	5,314
Treasury shares	-	-	(10,000)	-	-	(10,000)	-	(10,000)
Capital increases	8	4,824	-	-	-	4,832	763	5,595
Changes in the consolidation scope	-	-	-	-	-	-	(182)	(182)
Total transactions with shareholders	16	11,750	(29,677)	-	-	(17,911)	(8,361)	(26,272)
Change in translation adjustment	-	-	-	-	(1,533)	(1,533)	(9)	(1,542)
Change in actuarial gains and losses	-	-	4,074	-	-	4,074	689	4,763
Change in fair value of hedging derivatives	-	-	-	16,714	-	16,714	2,152	18,866
Sub-total of items recognised in equity	-	-	4,074	16,714	(1,533)	19,255	2,832	22,087
Net income for the period	-	-	59,024	-	-	59,024	12,311	71,335
Total comprehensive income for the period	-	-	63,098	16,714	(1,533)	78,279	15,143	93,422
Shareholders' equity at 31/12/2021	1,234	76,557	486,676	(18,443)	(43,082)	502,942	96,544	599,486

The notes form an integral part of the consolidated financial statements.

4.5. Statement of consolidated cash flows

In thousands of euros

	2021	2020
OPERATING ACTIVITIES		
Net income for the year attributable to shareholders of Albioma	59,024	55,314
Non-controlling interests	12,311	9,054
Adjustments		
Charges to depreciation, amortisation and provisions	86,734	84,272
Change in deferred tax	(3,513)	964
Share of net income of associates net of dividends received	(2,358)	840
Gains and losses on disposals	220	(64)
Share-based payments	5,056	1,833
Cost of financial debt	32,028	31,767
Current tax charge for the year	27,647	25,095
Cash flow from operations	217,148	209,075
Impact of the change in the working capital requirement	(14,445)	(11,897)
Tax paid	(28,656)	(23,547)
Net cash from operating activities	174,047	173,631
INVESTING ACTIVITIES		
Acquisitions of non-current assets	(162,928)	(128,520)
Increase in financial assets	(715)	-
Sales proceeds from non-current assets	747	201
Acquisitions and disposals of subsidiaries less any cash acquired or sold	(24,069)	(1,259)
Net cash from/(used by) investing activities	(186,965)	(129,578)
FINANCING ACTIVITIES		
Capital increases subscribed by non-Group shareholders	5,594	1,377
Change in treasury shares	(10,000)	191
Dividends paid to shareholders of Albioma	(18,418)	(14,008)
Dividends paid to non-controlling interests	(8,958)	(7,308)
Borrowings and financial debt issued or subscribed	186,848	149,295
Cost of financial debt	(31,970)	(31,767)
Borrowings and financial debt repaid	(126,483)	(171,324)
Other items	(18)	(2,763)
Net cash from/(used by) financing activities	(3,405)	(76,307)
Impact of currency movements on cash and cash equivalents and other changes	(1,019)	(3,679)
Net change in cash and cash equivalents	(17,342)	(35,933)
Opening cash and cash equivalents	125,202	161,135
Closing cash and cash equivalents	107,860	125,202
Change in cash and cash equivalents	(17,342)	(35,933)
Cash	93,164	89,039
Cash equivalents	14,695	36,753
Total cash and cash equivalents	107,860	125,792
Bank overdrafts	-	(590)
Net cash and cash equivalents	107,860	125,202

The notes form an integral part of the consolidated financial statements.

4.6. Notes to the consolidated financial statements

NOTE 1. HIGHLIGHTS OF THE YEAR

1.1. Thermal Biomass Business

- Signing of new riders for the Galion power plant in Martinique and the Saint-Pierre power plant on Reunion Island to include compensation for part of the additional costs incurred during the construction of these plants.
- Diversification of the Group's sustainable biomass supply sources with the acquisition on 27 December 2021 of the La Granaudière wood pellet production plant, located in the Canadian province of Quebec (see additional information in note 4 to the consolidated financial statements).

1.2. Solar Power Business

- Disposal on 21 April 2021 of the Group's non-controlling interests in OTS and Corbières Photo 1, representing 9 MWp, which it acquired when it bought Eneco France at the end of 2018.
- Publication of the implementing provisions specifying the level of tariff reduction and the calculation methods for solar power purchase agreements signed between 2006 and 2010 in accordance with the 2021 Finance Act of 16 December 2020: only a few of the Group's facilities have seen their tariffs revised downwards; two ground-based installations, one located in French Guiana and the other on Reunion Island, have nevertheless been significantly impacted. For these, the Group decided to activate the safeguard clause allowing for application of the law to be suspended and an impairment provision was recognised at 31 December 2021 to take into account the downward revision of revenues if it were to be confirmed (see additional information in note 16 to the consolidated financial statements).

1.3. Other significant developments

- The Group's entry into a new business characterised by significant technical added value and offering a strong fit with the Group's well-established biomass and solar power businesses, through the acquisition of its first geothermal power plant in Turkey on 26 January 2021 (see additional information in note 4 to the consolidated financial statements).
- Ransomware attack detected on 4 May 2021 on the Group's computer network. The efforts of the Group's IT teams, supported by cyber security experts, enabled Albioma to recover rapidly. The attack did not affect its industrial operation business, as all its power plants were able to continue operating.
- Capital increase reserved for Group savings plan subscribers and international Group savings plan subscribers.

This enabled eligible personnel to indirectly invest in Albioma stock on preferential terms in return for their investment being locked in for five years (see additional information in note 24.3 to the consolidated financial statements).

NOTE 2. ACCOUNTING POLICIES

2.1. Changes to the accounting framework in 2021

The Group's consolidated financial statements for the year ended 31 December 2021 have been prepared in accordance with the framework of International Financial Reporting Standards (IFRS) as adopted by the European Union at 31 December 2021, available on the following website: http://ec.europa.eu/finance/company-reporting/ifrs-financial-statements/index_fr.htm

The financial statements are presented in thousands of euros and were approved by the Board of Directors at its meeting of 1 March 2022.

The accounting principles used for the preparation of the consolidated financial statements for the year ended 31 December 2021 are identical to those used by the Group for the preparation of the consolidated financial statements for the year ended 31 December 2020, with the exception of the following standards and amendments that are now applicable:

- IFRS 16 amendment relating to the extension of the simplification measure;
- IAS 12 amendment on deferred tax related to assets and liabilities arising from a single transaction;
- amendments to IAS 19 "Employee Benefits";
- IFRIC – "Software as a Service" (SaaS);
- IFRIC Agenda Decision "Attributing Benefit to Periods of Service" (IAS 19).

These amendments and interpretations did not have a material impact on the Group's consolidated financial statements for the year ended 31 December 2021.

The IFRIC Agenda Decision relating to attributing benefit to periods of service applies to plans for which:

- the granting of benefits is conditional on the employee being employed by the company upon reaching retirement age (with loss of all benefits in the event of early retirement);
- the amount of benefit to which an employee is entitled depends on the length of the employee's service with the company, but is capped at a certain number of years of service, with the cap coming into play, at least for some employees, well before retirement.

For these plans, the IFRIC decision recommends recognising the obligation over the last years of the employee's career in the company, i.e. the periods in which the obligation to

provide post-employment benefits arises, and not over the total period worked.

On the basis of a review of the Group's post-employment plans, the only ones that fall within the scope of this decision are the Electricity and Gas Industry plans involving lump-sum retirement payments (*indemnités de fin de carrières*) within the Thermal Biomass sector and the parent company. The impact on opening equity was €483 thousand excluding the tax effect.

For the 2021 financial year, the Group decided not to apply in advance any standards, interpretations or amendments.

2.2. Consolidation methods

Exclusively-controlled subsidiaries are fully consolidated. Control by the Group derives from its ability to direct activities with a significant impact on returns, its exposure or rights to variable returns and its ability to affect those returns. Control is presumed to exist when the Group owns, directly or indirectly, the majority of the voting rights in the company.

The equity method is applied to associates over which the Group has significant influence (usually more than 20%) but does not have control, as well as entities under joint control that meet the definition of a joint venture pursuant to IFRS 11 "Joint Arrangements". Under the equity method, the company's net assets and net income are consolidated in proportion to the participating interest held by the parent company in the share capital, as well as, where applicable, related goodwill.

The financial statements of all consolidated companies are drawn up to 31 December of each year shown.

Inter-company receivables and payables as well as inter-company income and expenses relating to fully-consolidated companies are eliminated in full. Internal margins generated between such companies are also eliminated. Internal results generated between companies that are equity-accounted or fully consolidated are eliminated to the extent of the percentage interest held by the Group in the share capital of the equity-accounted company.

2.3. Income from ordinary activities

Income from ordinary activities of the Group comes from:

- sales of electricity and steam under energy supply agreements for terms ranging from 15 to 35 years, mainly entered into with EDF but also with sugar refineries for the power plants fuelled by bagasse and coal;
- sales of electricity to various distributor and industrial customers by Albioma Rio Pardo Termoeletrica, Albioma Codora Energia, Albioma Esplanada Energia and UTE Vale

do Paraná Albioma in Brazil as well as compensation due by sugar refineries related mainly to the quantity of biomass delivered;

- sales of electricity in Turkey under the terms of an agreement entered into with the Turkish company Enerji Piyasaları İşletme (EPİAŞ);
- services provided by the parent company to companies not under its control.

In the case of the thermal power plants located in the French overseas departments and regions, the remuneration stipulated in the electricity sale agreements entered into with EDF comprises an annual fixed portion and a variable portion.

Compensation for additional costs as well as remuneration for supplementary capital expenditure related to regulatory changes are the subject of negotiations and riders to the electricity sale agreements with EDF. These two revenue components are measured on the basis of tariffs revised by the riders and recognised when they have been agreed in principle and their amounts can be reliably estimated.

Each agreement and rider constitutes a single contract within the meaning of IFRS 15.

In the case of the thermal power plants, the Group is bound by the following performance obligations from which the client can benefit separately, each obligation being separately identifiable in the contract:

- operation and maintenance services aimed at providing power availability;
- services involving the production and sale of electricity, with the aim of delivering electricity or steam to the network according to its requirements.

The agreement specifies a separate price for each performance obligation:

- a price for the fixed premium determined on the basis of the fixed costs incurred to ensure the availability of the asset;
- a proportional price for electricity sales.

Pursuant to IFRS 15, revenue is recognised when each performance obligation is satisfied, i.e. when control of the good or service is transferred to the client.

Revenue is therefore recognised on a monthly basis:

- for fixed premiums, on the basis of the amounts set contractually;
- for the proportional price, on the basis of the electricity supplied to the network;
- for the amount of the bonuses/penalties, on the basis of the actual availability rates.

Contractual riders with EDF, in addition to agreements with sugar refineries, allowed for the operation of the “bagasse premium” established in 2009 by the authorities in favour of sugar cane growers indirectly contributing to the production of electricity from bagasse. Under this mechanism, the premium is collected by the producers of this electricity (therefore the Group’s bagasse/coal power plants) and subsequently paid over to its beneficiaries (the growers) via the sugar refineries to which they deliver their sugar cane. The Group thereby acts as an intermediary and does not bear the risks and rewards associated with this premium. As such, collection of this premium has no impact on the Group’s revenue. Nor does it have any effect on net income. The amounts collected from EDF and paid over to the sugar refineries are recognised in the statement of financial position in third-party accounts.

In the case of the Solar Power, Geothermal Power and Brazil businesses, revenue depends exclusively on the energy generated and supplied to the network, which constitutes the only performance obligation. Revenue is recognised in line with the supply of the energy.

2.4. Operating segments

Segment information is presented based on the internal organisation and reporting structures used by Group management.

The Group uses the following split for operating segments:

- France - Thermal Biomass: this segment comprises the thermal power plants that produce electricity and steam in the French overseas departments;
- France - Solar Power: this segment comprises the various photovoltaic panel farms in France, Spain and Italy, as well as the sale of photovoltaic installations and panels to third parties and joint ventures for the share held by third parties;
- Brazil: this segment comprises the activities conducted in Brazil, including the development activities, the holding company activities and the operation of its thermal power plants;
- Holding Company and other: this segment comprises the operating activities of Albioma, the thermal power plants that produce electricity in Mauritius and the geothermal power plant that produces electricity in Turkey.

2.5. Classification and presentation principles

Certain one-off transactions for material amounts are classified in “Other operating income” and “Other operating expenses”. In particular, these include:

- disposal gains and losses and significant but unusual impairment of non-current assets, property, plant and equipment and intangible assets;
- other operating income and expenses for material amounts.

Cash and cash equivalents comprise cash, current bank accounts, term deposits (with withdrawal options that can be exercised within three months with no penalty), and marketable securities that can be realised in the very short term, are readily convertible into cash and do not present a significant risk of a change in value. The change in cash and cash equivalents analysed in the statement of consolidated cash flows corresponds to cash and cash equivalents net of bank overdrafts. Short-term loans are included in the change in debt.

2.6. Business Combinations

In accordance with the provisions of IFRS 3 revised, business combinations are recognised using the acquisition method. Under this method, the assets acquired and the liabilities and contingent liabilities assumed are measured at fair value. Goodwill corresponds to the difference between the acquisition price paid at the time of the business combination and the fair value of identifiable assets acquired net of any liabilities and contingent liabilities assumed. These are determined on a provisional basis at the time of acquisition and are revised within a period of 12 months with effect from the acquisition date. Goodwill is not amortised and is subject to impairment testing at least once a year.

Pursuant to IFRS 3 (revised):

- acquisition costs are expensed in the period in which they are incurred;
- contingent consideration is estimated at fair value at the date on which control is taken and included in the acquisition price of the shares.

The Group presents acquisition costs in the line “Other operating expenses” in the income statement.

For each business combination, the Group can choose to measure non-controlling interests either at fair value or on the basis of their share of the identifiable net assets of the entity acquired measured at fair value on the acquisition date.

For all transactions carried out, the Group has opted to value the non-controlling interests on the basis of their proportionate share of the identifiable net assets of the entity acquired and not at their fair value.

2.7. Intangible assets

Intangible assets acquired during a business combination are recognised separately when they meet the recognition criteria stipulated in IFRS 3.

The fair value of contracts acquired during business combinations is determined by discounting the estimated net cash flows generated by the asset.

Following their initial recognition, contracts are recognised at cost less accumulated amortisation and impairment. Contracts are amortised on a straight-line basis over their residual term, but not exceeding 35 years.

2.8. Property, plant and equipment

Property, plant and equipment mainly comprise installations for the production of steam and electricity. Such items are recognised at cost including all expenses incurred to bring them into service, less any recoverable unpaid VAT, less depreciation and any impairment losses, where applicable. For property, plant and equipment produced internally, the cost includes directly attributable project development costs.

In accordance with IAS 23, the Group capitalises financial charges incurred during the asset construction phase. The interest thus capitalised relates to specific debt assumed to finance the projects in question or pre-financing granted by the lessors during the construction phase.

When the components of an asset have different useful lives, they are recognised separately and depreciated over their specific useful lives when their value is material.

Subsequent expenses incurred for the replacement or improvement of a component of an item of property, plant or equipment are recorded in property, plant and equipment. In the event of replacement, the old component replaced is expensed.

Major spare parts relating to plant safety, so-called strategic parts, are capitalised and depreciated over the useful lives of the plants in question.

Plant maintenance expenditure aimed at maintaining the plants in good working order is expensed as incurred.

Production installations are depreciated on a straight-line basis over their estimated useful lives with effect from the date on which the asset is ready to be brought into service, i.e. as soon as it is in the location and necessary condition to be able to be operated as intended by Management. These installations are depreciated over a period of 40 years for the bagasse/coal thermal power plants, 35 years for the thermal power plants using fuel oil, 20 years for plants in

Brazil, 20 years for the photovoltaic installations and 15 years for the geothermal power plants.

Other property, plant and equipment is depreciated on a straight-line basis over periods ranging from two to ten years. Where applicable, the Group revises the useful lives.

Investment grants received are recognised as a reduction against the cost of property, plant and equipment. They are recognised in profit or loss over the useful life of the asset they finance.

2.9. Leases

Leases which convey to the lessee control of the use of an identified asset for a period of time in exchange for consideration come within the scope of IFRS 16. The Group's tenant companies recognise on the statement of financial position, in respect of all leases regardless of their nature (i.e. operating leases and finance leases), a right-of-use asset and a corresponding lease liability.

The lease liability is initially determined on the basis of the present value of the lease payments that have not been paid on that date, discounted using the interest rate implicit in the lease if that rate can be readily determined, or at the incremental borrowing rate specific to the country, in accordance with the contract terms and currency. Lease payments include fixed payments, variable payments that depend on an index or a rate and payments resulting from options the lessee is reasonably certain to exercise. Variable lease payments based on revenue are recognised as operating expenses.

Subsequent to its initial measurement, the lease liability is reduced by the lease payments made and increased by the interest charge on the lease liability. It is remeasured to reflect any change in the future lease payments in the event of further negotiations with the lessor, a change in an index or rate, or in the event an option is reassessed. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or in net income if the carrying amount of the right-of-use asset has already been reduced to zero.

The measurement of the right-of-use asset at the commencement date comprises the initial lease liability, the initial direct costs and any obligations to refurbish the asset, less any incentives granted by the lessor.

Right-of-use assets are depreciated over the lease term. In the income statement, depreciation charges are recognised in operating income and interest charges are recognised in financial income (expense). The tax impact of these consolidation adjustments is recognised by means of the recognition of deferred tax.

The lease term used corresponds to the non-cancellable period, to periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option, as well as periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

The Group applies the exemptions permitted by IFRS 16 relating to leases with a term of less than 12 months or for which the underlying asset is of low value (less than €5,000).

2.10. Impairment of assets

In accordance with IAS 36, goodwill is tested for impairment every year and the Company regularly looks for indications of impairment of property, plant and equipment and intangible assets. When such an indication exists, the Company performs an impairment test to determine whether the carrying amount of the asset exceeds its recoverable amount, defined as the higher of the fair value less disposal costs and the value in use.

The main indications of impairment used by the Group consist of:

- for the photovoltaic installations, a significant and permanent decrease in the equivalent full-power hours (EFPH);
- for the plants in the Thermal Biomass sector, availability that is permanently and significantly lower than that forecast in the business plans;
- for all installations, operating costs that are permanently and significantly higher than those forecast in the business plans and for which the Group cannot be compensated by virtue of contractual provisions.

An asset's value in use is generally measured by discounting the future cash flows generated by the asset. Assets that do not generate any cash flows that are largely independent of those from other assets are grouped into cash-generating units (CGUs). Each thermal power plant and photovoltaic fleet constitutes a CGU of the Group.

The data used to perform the tests using the discounted cash flow method are taken from:

- business plans established at the outset of the project and covering the term of the electricity sale agreements, the underlying assumptions being updated on the test date; or
- Group business plans established annually and covering the term of the agreements (from 15 to 40 years).

These tests are based on the following key assumptions:

- electricity selling prices, which are set contractually;
- for the photovoltaic installations, equivalent full-power hours (EFPH).

2.11. Stocks

Stocks mainly comprise fuels, supplies and non-strategic spare parts needed for operation of the power plants as well as solar panels and inverters. Note that strategic parts are recognised under non-current assets. Stocks are measured at cost price or net realisable value (market price) if this is lower than the purchase cost.

2.12. Financial assets

Financial assets comprise operating receivables, deposits and cash collateral relating to leases, term deposits, loans, non-consolidated investments, short-term investments and cash equivalents and derivatives with a positive value. The measurement methods applied to financial assets are as follows:

- except for term deposits, short-term investments and cash equivalents are measured at fair value, fair value adjustments being recorded in profit or loss;
- operating receivables, security deposits and term deposits are recognised at amortised cost. Impairment losses are recognised if there is an objective indication of impairment.

The methods used for derivatives with a positive market value are explained in note 2.14 to the consolidated financial statements.

2.13. Financial liabilities

Financial liabilities comprise financial debt, operating liabilities and derivatives with a negative market value. The specific case of derivatives with a negative market value is covered in note 2.14 to the consolidated financial statements.

In accordance with IFRS 9, applied since 1 January 2018, financial debt is initially measured at fair value less transaction costs and subsequently according to the amortised cost method using the effective interest rate. This method does not result in material differences compared with their face value.

Financial liabilities are split between current and non-current liabilities. Current liabilities essentially consist of financial liabilities falling due within the 12 months following the reporting date.

2.14. Derivatives

The purpose of the derivatives used by the Group is to hedge interest rate risks on the borrowings and leases entered into at variable interest rates and to hedge currency risks on transactions denominated in currencies other than the euro. In accordance with IFRS 9 covering the measurement

and recognition of financial instruments, derivatives with a positive market value are recognised in assets, while those with a negative market value are recognised in liabilities. When they are not considered for accounting purposes as cash flow hedges, changes in the fair value of such instruments are recorded in profit or loss. Otherwise, they are recognised in Other comprehensive income (recyclable components) for the effective portion of the hedge and in profit or loss for the ineffective portion.

In accordance with IFRS 9, embedded derivatives are recognised separately from their host contract on the contract start date and are measured at fair value, in the same way as stand-alone derivatives entered into with a bank. These derivatives are recorded in the statement of financial position at their fair value, in assets or liabilities depending on whether this value is positive or negative. Changes in the fair value of such instruments are recorded in profit or loss, except for derivatives that qualify as hedges of a net investment in a foreign operation, for which the change in fair value of the effective portion is recorded in translation reserves (in other comprehensive income). On disposal of a foreign entity covered by a net investment hedge, the currency loss or profit recognised in translation reserves is recognised in profit or loss.

2.15. Employee benefits

Employee benefits comprise defined contribution plans and defined benefit plans.

Defined contribution plans refer to post-employment benefit plans by virtue of which the Group pays defined contributions to various employee welfare bodies. The contributions are paid in exchange for services rendered by the employees in respect of the financial year. They are expensed as incurred.

Defined benefit plans refer to plans that provide employees with guaranteed additional funds. For the Group, this guarantee of additional funds constitutes a future service for which an obligation is calculated. The provision is calculated by estimating the amount of benefits that the employees will have accumulated in exchange for services rendered during the year and previous years.

Changes to an existing plan or the introduction of a new plan for post-employment benefits or other long-term benefits may result in an increase in the present value of the obligation in respect of defined benefits for services rendered during previous years, known as “past service cost”. This past service cost is recognised in profit or loss for the period.

Within the Group, defined benefit plans cover post-employment benefits and other long-term benefits.

Post-employment benefits

Post-employment benefits comprise:

- lump-sum retirement payments;
- time banking for pre-retirement leave (*comptes épargnes jours retraite* - CEJR);
- specific pensions for the employees of certain subsidiaries in connection with the Electricity and Gas Industries statute and the guarantee to maintain certain specific benefits after their retirement.

In accordance with IAS 19 “Employee benefits”, they are measured annually using the projected unit credit method, with length of service being taken into account on a pro rata basis.

The discount rate used on the reporting date is established based on the yields at the reporting date of high-quality private corporate bonds.

Actuarial gains and losses result from revised assumptions and from differences between the estimated results based on the actuarial assumptions and the actual results. These variances are recognised immediately in other comprehensive income for all actuarial gains and losses in respect of defined benefit plans. The impact of the unwinding of the discount on the provision for employee benefits is recorded in net financial income/(expense) under “Other financial expenses”.

Other long-term benefits

Other long-term benefits mainly comprise additional medical coverage. A provision is calculated using the same methods, assumptions and frequency as those used for the measurement of post-employment benefits.

Actuarial gains and losses arising from the measurement of other long-term benefits are recognised directly in profit or loss in the year in which they occur.

2.16. Provisions for liabilities

Provisions are recognised when:

- the Group has a present obligation as a result of a past event;
- it is probable that an outflow of resources representing economic benefits will be needed to settle the obligation;
- the amount of the obligation can be estimated reliably.

Provisions for dismantling

Dismantling costs are included in the initial cost of installations when the Group has a legal or implied obligation

to dismantle. As a rule, the Group has no present, legal or implied obligation to dismantle pursuant to the criteria of IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”. As at 31 December 2021, the Group was not planning to cease the activities of any of its installations currently in operation.

For the Solar Power sector, dismantling costs are considered to be immaterial.

2.17. CO₂ allowances

The Group’s thermal power plants located in the overseas departments are included in operations subject to regulations regarding carbon dioxide (CO₂) emission allowances. The following thermal power plants are concerned: Albioma Bois-Rouge (tranches 1 and 2), Albioma Le Gol (tranches A and B), Albioma Le Moule (tranches 1 to 3), Albioma Galion and Albioma Saint-Pierre.

In accordance with contractual terms, the Group signed riders on electricity sale contracts with EDF to take these regulatory changes into account and to cover excess costs relating to shortfalls between allowances allocated and allowances used.

The allowances acquired and used in respect of the shortfalls for the period are presented in “Other operating expenses”, as are the amounts billed to EDF pursuant to the riders.

After taking into account the impact of the riders to the electricity sale agreements, any variance between available allowances and surrender obligations on maturity is covered by provisions calculated on the basis of the market value of the allowances at the reporting date. These provisions appear under “Other current liabilities”. No such provisions existed at the end of the periods presented.

2.18. Tax

Corporation tax

The corporation tax charge shown in the income statement comprises tax payable in respect of the current period and deferred tax.

Deferred tax is recognised on all temporary differences between the amounts for accounting and tax purposes of asset and liability items, as well as on tax losses available for carry forward. Deferred tax assets are recognised only when they are likely to be recovered.

The bulk of these deferred taxes stems from temporary differences resulting from:

- for deferred tax liabilities: the revaluation of electricity sale contracts, the neutralisation of accelerated depreciation for tax purposes and the effect of the restatement of finance leases;

- for deferred tax assets: tax losses, the effect of neutralising internal margins relating to installation development, and the recognition of provisions in respect of employee benefits.

Deferred taxes are measured at the tax rate enacted or almost enacted by the relevant body at the reporting date, based on when the temporary differences are expected to reverse. The liability method is applied and the impact of any changes in the tax rate is recognised in the income statement except for changes relating to items recognised directly in equity. Deferred taxes are not discounted.

Territorial Economic Contribution (*Contribution Économique Territoriale* – CET)

The 2010 Finance Act introduced a Territorial Economic Contribution (*Contribution Économique Territoriale* – CET) to replace the business tax (*taxe professionnelle*). The CET incorporates two new contributions: a tax on enterprise land value (*Taxe Foncière des Entreprises* – CFE) and a contribution for enterprise added value (*Cotisation sur la Valeur Ajoutée des Entreprises* – CVAE). For the financial years presented, the Group has recognised these two contributions under operating income in the item “Taxes and duties (other than corporation tax)”.

2.19. Share-based payments

Allotments of stock subscription options and bonus shares subject to performance conditions

In accordance with IFRS 2, the fair value of stock subscription options and bonus shares is determined based on methods suited to their characteristics:

- stock subscription options, not subject to any share price performance conditions, are measured using the Black and Scholes model;
- bonus shares allotted in 2018, 2019, 2020 and 2021, subject to share price performance conditions, are measured using the Monte-Carlo model, while shares whose final allotment depends on internal performance (EBITDA, earnings per share and renewable energy sources as a percentage of the total energy produced) are measured using the Black and Scholes model.

The fair value on the allotment date of the share subscription options is recognised in expenses over the option acquisition period, based on the probability of these options being exercised before their expiry, with a corresponding increase in consolidated reserves.

For allotments of bonus shares and stock subscription options subject to performance conditions, the rights vesting period corresponds to the most probable time frame for fulfilment of the performance conditions. The parameters

used in this model are described in note 24 to the consolidated financial statements.

At each reporting date, the Group assesses the probability of loss of rights to the stock subscription options or bonus shares prior to the end of the vesting period. Where applicable, the impact of the revision of these estimates is recognised in profit or loss with a corresponding movement in consolidated reserves. Performance conditions are not revised if market conditions are involved (as these are taken into account on the allocation date as part of the fair value measurement of the equity instruments to be issued).

2.20. Currency translation

Transactions denominated in foreign currency are recognised at the exchange rate prevailing on the transaction date. At the reporting date, receivables and payables in foreign currency are translated at the exchange rate prevailing on this date, with any resulting differences being recognised in profit or loss.

Investments in the Mauritian companies are equity-accounted in the statement of financial position based on the exchange rate prevailing at the end of the accounting period, while the share of profit or loss attributable to the Group is translated at the average rate for the year. Resulting translation differences are recorded directly in equity.

The Brazilian entities' results and cash flows for the period are translated at the average rate for the period. The statement of financial position is translated at the closing rate of the period concerned. Resulting translation differences are recorded directly in equity.

The translation rates used by the Group for the periods presented were as follows:

Euro/Brazilian real	Opening rate	Average rate	Closing rate
2020	4.52	5.89	6.37
2021	6.37	6.38	6.31

Euro/Turkish lira	Opening rate	Average rate	Closing rate
2021	8.93	10.61	15.23

NOTE 3. MANAGEMENT ESTIMATES

Preparation of the financial statements requires the Group to make best estimates and assumptions that affect the carrying amounts of assets and liabilities, information relating to contingent assets and liabilities, and the amount of income and expenses recorded during the period. Actual future results may differ from these estimates.

The main items in the financial statements for which the Group uses material estimates are as follows:

3.1. IFRS 16: "Leases"

The Group enters into electricity and steam sale agreements with its customers.

In this context, the question has arisen as to whether these contracts could contain a lease, which entitles the customer to use the asset. Under IFRS 16, a lease exists if both of the following conditions are met:

- the performance of the contract depends on the use of an identified asset; and
- the contract conveys to the customer the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group's management has analysed the electricity and steam sale agreements in France and has concluded that these contracts do not contain a lease. This is because the customer does not have the right to control the use of the identified asset because virtually none of the economic benefits arising from the use of the asset are transferred to EDF and EDF does not have the right to direct the use of the identified asset.

Management has also analysed the electricity sale agreements outside France and has concluded that these contracts do not contain a lease, due mainly to the existence of several customers and the absence of a right to control the use of the identified asset.

As a result, revenue is recognised in accordance with IFRS 15.

3.2. IFRS 3: "Business Combinations"

All business combinations are recognised using the acquisition method. As a result, the Group recognises the acquired entity's identifiable assets, liabilities and contingent liabilities at their fair value on the acquisition date, and also recognises the goodwill. The values attributed to the assets acquired and liabilities assumed are subject to Management estimates, e.g. the expected cash flows on the assets and discount rates used.

3.3. IAS 16: "Useful lives of property, plant and equipment and intangible assets"

Property, plant and equipment and intangible assets other than goodwill are recognised at cost and are depreciated or amortised over their economic useful lives based on estimates made by Management. When Management observes that the actual useful lives differ substantially from the estimates used to calculate the depreciation or amortisation, this difference gives rise to adjustments in subsequent periods. Given the significance of the Group's non-current assets, differences between actual useful lives and estimated useful lives could have a material impact, positive or negative, on its operating income.

3.4. IAS 36: "Impairment of Assets"

Goodwill is tested for impairment annually, and property, plant and equipment and intangible assets are subject to impairment testing when circumstances indicate that the asset's carrying amount may not be fully recoverable. When such indications exist, the Company performs impairment tests in order to verify that the asset's carrying amount does not exceed its recoverable amount, which is defined as the higher of the fair value less costs to sell and the value in use. An asset's value in use is generally determined by discounting the future cash flows expected to be generated by the asset. To estimate the future cash flows on property, plant and equipment and intangible assets, Management formulates a judgement according to its intended use of the asset, notably as regards future income, expenses, or even discount rates.

The impairment tests are performed on the basis of business plans approved by the Board of Directors.

3.5. IAS 12: "Income Taxes"

The Group previously benefited directly from certain tax advantages corresponding to a percentage of eligible direct investments made in the form of capital contributions in assets located in the French overseas departments. These capital contributions were deductible from the taxable profit according to the date on which the tax benefits were approved. Approval from the public authorities was

conditional on the continuing operation of the asset and conservation for a period of five years, in all cases, of the shares received in exchange for the capital contributions.

These tax benefits did not fall directly within the scope of application of either IAS 12 "Income Taxes" or IAS 20 "Accounting for Government Grants". Management therefore exercised its judgement to determine the accounting treatment to be applied and concluded that an analogy with IAS 12 was appropriate. The tax benefit was therefore recognised as a reduction of the tax on current income when there was reasonable assurance that the Group would meet all the conditions for grant of the tax relief and the capital contribution became deductible from the taxable income for the current year.

Deferred tax assets are recognised for the amounts of tax on the profit recoverable in future years in respect of deductible temporary differences and the carry forward of unused tax losses and tax credits. To determine if a deferred tax asset is to be recognised in respect of the carry forward of unused tax losses and tax credits, Management examines the probability of these unused tax losses and tax credits being used against a future taxable profit. Management takes into account past and projected results, the future taxable profit and the combination of results and strategies, both existing and realisable, in matters of tax planning.

3.6. IFRS 9: "Fair value of financial derivatives and embedded derivatives"

The best indication of the fair value of a contract is the price that would be agreed between knowledgeable, willing parties in an arm's length transaction. On the transaction date, fair value generally corresponds to the transaction price. Subsequently, fair value is determined based on observable market data, which provide the most reliable indications concerning the change in a contract's fair value.

Market-based measurements, particularly those that are not based on readily available listed prices, include an intrinsic margin of uncertainty. This uncertainty increases with the term of the underlying contracts and when the underlying market is limited due to low transaction volumes. Market-based measurements may also differ substantially from

the actual profits and losses realised on maturity of the contract due to changes in market conditions or specific events such as changes made to the underlying contract. More generally, any changes in the facts and circumstances relating to market conditions and the underlying assumptions used for measurement purposes may have an impact on the Group's net financial income and equity.

Derivatives are traded in OTC markets in which there is no listed price. As a result, they are valued according to models commonly used by operators to evaluate these financial instruments (discounted cash flow models).

3.7. Other estimates

Concerning retrocessions of tax benefits, the Group recognises the impact of tax relief measures only when it is probable that the economic benefits associated with the transaction will accrue to the Group and the outcome of the transaction can be reliably measured. The Group considers the economic benefits associated with the transaction to be probable as soon as it receives the necessary approvals, the installations meet the conditions required, notably regarding grid connection, and investors have committed to the operations.

3.8. Consortium

In connection with its energy production operations in Brazil, the Group may set up a consortium with its sugar-refining partners.

The purpose of such a consortium is to deal solely with transactions between the plant owner/operator and the sugar refiner. The consortium does not therefore own any assets or generate any income.

The obligations of the consortium's stakeholders are as follows:

- the sugar refiner must provide the biomass and water needed for the electricity and steam produced by the consortium, in accordance with the specifications drawn up concerning quantity and quality, as well as a certain number of sites that it currently owns and that are partially occupied by the installations, and the access routes and roadways needed for the plant's operation and maintenance;

- the plant's owner/operator must provide all the cogeneration equipment and contribute to the consortium exclusively at its expense as regards the plant's operation and maintenance, including predictive maintenance.

In the event that either of the parties fails to comply with its obligations, the agreement provides for a compensation mechanism.

All of the consortium's transactions are included in the financial statements of the Group project company, which has virtually all of the voting rights within the consortium and which directs, manages and represents the consortium for all legal purposes.

3.9. Consideration of climate risks

In preparing its financial statements for the year ended 31 December 2021, the Group has included the effect of climate risks and the impact of climate-related commitments in its estimates. These estimates relate in particular to the useful life of assets, asset impairment testing and the costs of raw material and other supplies.

For the year ended 31 December 2021, the consideration of these elements did not lead to a revision of the useful life of the assets, as the energy transition is fully incorporated into the Group's operational and strategic model: energy generation from sugar-cane bagasse, the development of solar energy, investment in geothermal energy and the conversion of Albioma's existing bagasse/coal-fired power plants in Overseas France to 100% biomass operation.

From a financing perspective, Albioma underlined its commitment by issuing, in December 2020, its first Sustainability-Linked Euro PP, amounting to €100 million, some of the financial details of which are linked to the share of green energies in the Group's mix: more than 80% renewable energies in 2023, more than 90% in 2025 and nearly 100% in 2030. The Group is on track to meet these targets.

NOTE 4. CHANGES IN THE CONSOLIDATION SCOPE

4.1. Acquisition of shares in Gümüşköy Jeotermal Enerji Üretim

As stated in the section covering highlights of the period, on 26 January 2021, Albioma finalised the acquisition of a controlling interest (75%) in the share capital of the geothermal energy producer Gümüşköy Jeotermal Enerji Üretim (in the Izmir region). The remaining 25% has been acquired by Egesim, an industrial services provider well regarded within the industry in Turkey. This acquisition gives Albioma a bridgehead in a new business characterised by significant technical added value, offering a strong fit with the Group's well-established biomass and solar power businesses.

<i>In thousands of euros</i>	
Intangible assets – Licence	6,233
Property, plant and equipment	6,573
Other non-current assets	19
Current assets	538
Cash and cash equivalents	372
Deferred tax liabilities	(5)
Other non-current liabilities	(8,619)
Current liabilities	(5,861)
Non-controlling interests	145
Net assets acquired	(605)
Consideration paid	(170)
Goodwill	775

In accordance with IFRS 3, on the date of the takeover, the financial debt was measured at fair value, resulting in the acquisition price being allocated to the company's operating licence as well as to the tangible assets. The licence is amortised over a period ending at the end of 2039. The company also has a power sales agreement for a residual period of three years starting from the acquisition date. This agreement is also valued when the acquisition price is allocated. The Group has a period of 12 months from the acquisition date to finalise its allocation of the acquisition price. Its allocation was still provisional as at 31 December 2021.

4.2. Acquisition of the La Granaudière wood pellet production plant

On 27 December 2021, Albioma acquired the La Granaudière wood pellet production plant located in the Canadian province of Quebec. This transaction also includes a long-term agreement granting access to a 45,000-tonne pellet storage facility in the Port of Quebec, as well as raw material supply guarantees issued by Quebec's Ministry of Forests, Wildlife and Parks (MFFP). The plant, which has been out of service since July 2021, concomitantly with a receivership procedure, is due to be recommissioned in early 2022, with its nominal annual production capacity of 200,000 tonnes being achieved following some additional investments.

The assets acquired were valued in accordance with the acquisition protocol, as shown in the following table:

<i>In thousands of euros</i>	
Intangible assets	120
Property, plant and equipment	20,341
Long-term investments	241
Current assets	490
Net assets acquired	21,192

This transaction falls within the scope of IFRS 3 «Business Combinations». Under the terms of this standard, the purchase price will be allocated to the assets and liabilities acquired within twelve months of the acquisition date.

4.3. Other changes in the consolidation scope

On 21 April 2021, the Group disposed of its non-controlling interests in OTS and Corbières Photo 1, representing 9 MWp, which it had acquired when it bought Eneco France at the end of 2018. This disposal has not had a material impact on these consolidated financial statements.

NOTE 5. OPERATING SEGMENTS

5.1. Information by operating segment and region

Year ended 31 December 2021

<i>In thousands of euros</i>	France – Thermal Biomass	France – Solar Power ¹	Brazil	Holding company and other	Eliminations ³	Total
INCOME STATEMENT						
Income from ordinary activities	494,962	49,095	24,065	5,161	-	573,284
Inter-segment	-	-	-	28,670	(28,670)	-
Income from ordinary activities	494,962	49,095	24,065	33,831	(28,670)	573,284
EBITDA²	166,666	34,459	14,545	(907)	-	214,763
Operating income	109,782	10,096	9,358	(964)	-	128,272
Financial expenses and income	-	-	-	-	-	(32,755)
Tax charge	-	-	-	-	-	(24,182)
Net income for the year from continuing activities						71,335
STATEMENT OF FINANCIAL POSITION						
Goodwill	7,313	5,937	1,566	775	-	15,591
Intangible assets	54,374	14,855	18,173	3,049	-	90,450
Property, plant and equipment	1,135,872	229,717	37,053	10,716	-	1,413,359
Participating interests in equity-accounted companies	794	680	4,821	19,371	-	25,667
Current assets	177,339	30,788	19,409	88,631	-	316,167
Other non-current assets (including deferred tax)	15,385	6,497	777	(7,148)	-	15,511
Total assets	1,391,077	288,473	81,800	115,395	-	1,876,746
Equity	315,617	49,898	(2,100)	236,071	-	599,486
Non-current financial debt	593,486	167,865	6,943	131,862	-	900,156
Other non-current liabilities (including deferred tax)	97,416	24,872	202	(14,968)	-	107,522
Current liabilities	188,721	35,697	7,459	37,705	-	269,582
Inter-sector eliminations ³	195,837	10,142	69,297	(275,275)	-	-
Total equity and liabilities	1,391,077	288,473	81,800	115,395	-	1,876,746
OTHER INFORMATION						
Investments in property, plant and equipment and intangible assets	139,938	29,319	1,717	6,661	-	177,635
Charges to depreciation, amortisation and provisions	(55,998)	(23,870)	(5,187)	(1,899)	-	(86,953)

1. Including Spain and Italy.

2. EBITDA: operating income (including income from equity-accounted companies) before depreciation, amortisation and provisions net of reversals and other non-cash items recognised in other operating income and expenses.

3. Inter-sector eliminations include intra-Group payables and receivables, as well as the elimination of consolidated equity investments.

Year ended 31 December 2020

<i>In thousands of euros</i>	France – Thermal Biomass	France – Solar Power ¹	Brazil	Mauritius	Holding company and other	Eliminations	Total
INCOME STATEMENT							
Income from ordinary activities	435,430	48,877	21,351	-	1,070	-	506,728
Inter-segment	-	-	-	-	24,145	(24,145)	-
Income from ordinary activities	435,430	48,877	21,351	-	25,215	(24,145)	506,728
EBITDA²	162,312	34,779	11,998	1,500	(4,143)	-	206,446
Operating income	104,817	13,986	6,648	1,500	(4,469)	-	122,482
Financial expenses and income							(32,054)
Tax charge							(26,059)
Net income for the year							64,368
STATEMENT OF FINANCIAL POSITION							
Goodwill	7,313	6,892	2,679	-	-	-	16,884
Intangible assets	59,184	16,232	18,994	-	(909)	-	93,501
Property, plant and equipment	1,047,397	223,751	39,210	-	1,591	-	1,311,949
Participating interests in equity-accounted companies	831	343	3,199	18,380	-	-	22,753
Current assets	135,047	31,200	16,314	-	115,454	-	298,014
Other non-current assets (including deferred tax)	14,856	6,947	266	-	(14,440)	-	7,629
Total assets	1,264,628	285,365	80,661	18,380	101,696	-	1,750,730
Equity	275,070	47,724	(7,505)	6,240	210,807	-	532,337
Non-current financial debt	557,144	177,783	11,165	-	113,421	-	859,513
Other non-current liabilities (including deferred tax)	119,586	30,272	139	-	(17,119)	-	132,878
Current liabilities	162,233	35,544	8,069	-	20,156	-	226,002
Inter-sector eliminations ³	150,596	(5,948)	68,792	12,140	(225,581)	-	-
Total equity and liabilities	1,264,629	285,376	80,661	18,380	101,684	-	1,750,730
OTHER INFORMATION							
Investments in property, plant and equipment and intangible assets	106,895	20,625	1,709	-	1,549	-	130,778
Charges to depreciation, amortisation and provisions	(54,102)	(20,666)	(5,349)	-	(716)	-	(80,833)

1. Including Spain and Italy.

2. EBITDA: operating income (including income from equity-accounted companies) before depreciation, amortisation and provisions net of reversals and other non-cash items recognised in other operating income and expenses.

3. Inter-sector eliminations include intra-Group payables and receivables, as well as the elimination of consolidated equity investments.

Other segment assets comprise stocks, trade receivables and other debtors.

Segment liabilities comprise specific liabilities relating to operating sites, provisions for employee benefits, other provisions for liabilities and charges (excluding provisions for risks relating to non-consolidated entities), trade payables and other creditors.

A reconciliation between operating income and EBITDA is shown below:

<i>In thousands of euros</i>	2021	2020
Operating income	128,272	122,482
Amortisation of contracts	6,840	6,881
Depreciation of non-current assets	75,153	70,613
Depreciation of right-of-use assets	3,393	2,405
Charges to/reversals of provisions (including employee benefits)	1,456	3,091
Charges to/reversals of provisions and other non-cash items recognised in other operating income and expenses	(350)	974
EBITDA	214,763	206,446

5.2. Other segment information

The Group sells virtually all the electricity it produces under agreements entered into with EDF in France, other distributor or industrial customers authorised as Câmara de Comercialização de Energia Elétrica (CCEE) agents by the Agência Nacional de Energia Elétrica (ANEEL) for the Albioma Rio Pardo Termoeletrica, Albioma Codora Energia, Albioma Esplanada Energia and UTE Vale do Paraná Albioma plants in Brazil, with Enerji Piyasaları İşletme A.Ş. (EPIAŞ) for the Gümüşköy geothermal power plant and, for the equity-accounted companies, mainly with the Central Electricity Board (CEB) in Mauritius.

NOTE 6. INCOME FROM ORDINARY ACTIVITIES

Income from ordinary activities can be broken down as follows:

<i>In thousands of euros</i>	2021	2020
Sales of electricity and steam	572,187	505,683
Services	1,097	1,045
Income from ordinary activities	573,284	506,728

The change in revenue was due mainly to:

- the effect of higher fuel prices, which has not directly affected profit margins as electricity sale prices are contractually indexed to the cost of fuel;
- the weakening of the real;
- the decrease in bonuses following the technical incidents that hit the Albioma Bois-Rouge and Albioma Le Moule plants in the first half of the year;
- the full-year effect of the increase in the fixed premium and the variable remuneration from the Le Moule power plant since the biomass conversion of its tranche 3 began in November 2020;
- excellent performance by the Brazilian plants, where production was up by 13% compared with the same period last year, and record electricity prices in the second half of the year;
- the scope effect, resulting from including the revenue from the Gümüşköy geothermal power plant since 26 January 2021.

NOTE 7. PURCHASES (INCLUDING CHANGES IN STOCKS)

Purchases include the cost of raw materials consumed in the production of electricity, notably coal, fuel oil and biomass. The change during the period includes the full-year contribution of the commissioning of new plants as described above as well as the rise in fuel prices.

NOTE 8. LOGISTICS COSTS AND OTHER OPERATING INCOME AND EXPENSES

8.1. Logistics costs

The change in logistics expenses was due mainly to the higher costs of processing combustion by-products.

8.2. Other operating expenses

Other operating expenses totalling €208,847 thousand comprise all expenses other than purchases, logistics costs and staff costs. They also include the expenditure associated with the CO₂ allowances. The main component of other income totalling €92,270 thousand is the income associated with the CO₂ allowances.

The change during the period was due mainly to the effect of the increase in bagasse compensation paid to sugar refineries, the increase in maintenance and annual shutdown expenses for the Group's thermal power plants, with some work being curtailed in 2020 due to the health crisis, and the increase in insurance premiums. Production taxes were down as a result of the reductions granted in the Finance Act.

NOTE 9. STAFF COSTS

Staff costs break down as follows:

<i>In thousands of euros</i>	2021	2020
Wages and salaries	(32,993)	(32,126)
Social security charges	(16,366)	(16,869)
Profit-sharing and incentive schemes	(5,955)	(5,510)
Share-based payments	(5,056)	(1,833)
Total staff costs	(60,371)	(56,337)
Employee benefits (cost of services rendered net of benefits paid)	(2,587)	(1,370)
Total staff costs including employee benefits	(62,958)	(57,707)

The change during the period relates mainly to the effect of the first-time consolidation of the Gümüşköy power plant as well as the change in the expense in respect of the bonus performance share plans (see additional information in note 24.2 to the consolidated financial statements).

NOTE 10. OTHER OPERATING INCOME AND EXPENSES

<i>In thousands of euros</i>	2021	2020
Reversals of provisions	2,094	-
Proceeds from the sale of assets	77	-
Other income	13,687	3,681
Other operating income	15,858	3,681
Value of transferred assets	(283)	-
Accelerated amortisation	(1,568)	(932)
Other expenses	(343)	-
Other operating expenses	(2,194)	(932)
Total other operating income and expenses	13,664	2,749

For the year ended 31 December 2021, the main components of other income were the retroactive effects of the riders to the electricity sale agreements for the Galion and Saint-Pierre power plants for a total of €6 million, a reversal of a provision no longer required due to a liabilities guarantee coming to an end for €2.1 million and the settlement of a dispute with a supplier for €6 million.

For the year ended 31 December 2020, other operating income included contractual compensation received from a sugar partner in respect of earlier years as well as compensation received in respect of coal-fired equipment no longer required following a plant's conversion to biomass.

NOTE 11. COST OF FINANCIAL DEBT

Cost of financial debt comprises the following items:

<i>In thousands of euros</i>	2021	2020
Financial expenses on financial debt	(30,252)	(30,395)
Financial expenses on leases	(254)	(245)
Cost of financial debt	(30,506)	(30,640)
Interest expenses related to right-of-use assets (IFRS 16)	(1,522)	(1,127)
Cost of financial debt	(32,028)	(31,767)

For the year ended 31 December 2021, the amount recognised in financial expenses in respect of hedging instruments amounted to €11.2 million, compared with €11.1 million in 2020. These amounts correspond to interest disbursed or accrued under swap contracts (amount recycled through profit or loss of the fair values previously recognised in equity).

NOTE 12. OTHER FINANCIAL INCOME AND EXPENSES

Other financial income and expenses comprise the following items:

<i>In thousands of euros</i>	2021	2020
Currency gains	3	19
Income from marketable securities disposal	363	186
Other financial income	344	330
Other financial income	710	534
Impact of unwinding the discount on the provision for employee benefits	(246)	(347)
Currency losses	(1,111)	-
Other financial expenses	(80)	(475)
Other financial expenses	(1,436)	(822)
Total other financial income and expenses	(726)	(288)

For the periods presented, other financial expenses comprised the charge relating to the effect of unwinding the discount on the provision for employee benefits in the amount of €0.3 million.

NOTE 13. TAX

The corporation tax charge breaks down as follows:

<i>In thousands of euros</i>	2021	2020
Operating income	128,272	122,482
Share of net income of equity-accounted companies	(3,306)	(1,636)
Cost of financial debt	(32,028)	(31,767)
Other financial income and expenses	(727)	(288)
Income before tax and share in equity-accounted companies (A)	92,211	88,792
Tax charge (B)	(24,182)	(26,059)
Effective tax rate (B)/(A)	26.22%	29.35%

The tax charge for the period comprises the following:

<i>In thousands of euros</i>	2021	2020
Current tax charge	(27,647)	(25,095)
Deferred tax	3,465	(964)
Total corporation tax	(24,182)	(26,059)

A reconciliation between the actual tax charge and the theoretical tax charge is shown below:

In thousands of euros	2021			2020		
	Base	Rate	Tax	Base	Rate	Tax
Theoretical tax charge	92,211	27.37%	(25,238)	88,792	28.92%	(25,679)
Difference between local tax rate and standard tax rate including LODEOM allowance ¹		(2.2%)	2,033		(1.9%)	1,639
Impact of the change in the tax rate on deferred tax		0.2%	(162)		2.7%	(2,282)
Non-taxable income		0.3%	(299)		(0.4%)	368
Tax on dividend payments		0.5%	(477)		0.1%	(77)
Non-deductible interest		-	-		-	-
Unrecognised deferred tax assets		-	(6)		-	(38)
Additional contributions and other permanent differences		-	(33)		-	9
Tax charge recognised	92,211	26.22%	(24,182)	88,792	29.35%	(26,059)

1. LODEOM: law no. 2009-594 of 27 May 2009 for the economic development of Overseas France.

The differences in the tax rates between the local rate and the standard tax rate include the difference between the tax rates in Brazil and Turkey and the standard tax rate applicable in France as well as the effect of the allowance in respect of law no. 2009-594 of 27 May 2009 for the economic development of Overseas France (*Loi pour le développement économique des Outre-mer* – LODEOM).

The “Impact of the change in the tax rate on deferred tax” heading comprises in particular the effect of the decrease in the standard tax rate provided for by the 2018 and 2019 Finance Acts and applicable to the Group in France as from 2019. Thus, in accordance with IAS 12 “Income Taxes”, deferred taxes which are expected to reverse as from 1 January 2021 have been measured on the basis of a standard tax rate reducing gradually to 25% by 2022.

The restated normalised effective tax rate¹ for the year ended 31 December 2021 came to 27.58% compared with 28.31% in 2020.

NOTE 14. GOODWILL

In thousands of euros	Net amount
At 31/12/2019	16,884
At 31/12/2020	16,884
Impact of changes in the consolidation scope	(181)
Translation differences	(1,112)
At 31/12/2021	15,591

The impacts of changes in the consolidation scope relate to the derecognition of OTS, Corbières Photo 1 and Volta Environnement for -€954 thousand and the first-time consolidation of the Gümüşköy power plant for €775 thousand.

The impairment tests the Group carried out did not identify any impairment of goodwill at 31 December 2021 that required the recognition of an impairment provision.

The breakdown of goodwill by activity is as follows:

In millions of euros	
Thermal Biomass France	7.3
Thermal Biomass Brazil	1.6
Solar Power	5.9
Geothermal Power	0.8
Total	15.6

This goodwill is subject to an impairment test based on the assumptions presented in note 2.10 to the consolidated financial statements.

1. Restated normalised tax rate: tax rate restated for the effects of impairment losses on which no tax saving was recorded because there is no prospect of recovery in the short term, excluding Brazil and excluding the effect of the change in the tax rate.

The Group carried out sensitivity calculations on the value of its assets based on the following assumptions:

- discount rate increased by 50 basis points;
- availability rate of the power plants in the Thermal Biomass sector reduced by 100 basis points;
- equivalent full-power hours for the photovoltaic installations reduced by 100 basis points.

No goodwill impairment loss would be recognised under any of the above assumptions.

NOTE 15. INTANGIBLE ASSETS

<i>In thousands of euros</i>	Electricity and steam supply agreements	Other intangible assets	Total intangible assets
GROSS AMOUNTS			
At 31/12/2019	183,611	4,035	187,644
Acquisitions	-	598	598
Other movements	-	7	7
Translation differences	(9,222)	(321)	(9,543)
At 31/12/2020	174,389	4,320	178,708
Acquisitions	-	249	249
Disposals	-	4	4
Impact of changes in the consolidation scope	-	4,223	4,223
Reclassifications	-	(484)	(484)
Translation differences	225	9	234
AT 31/12/2021	174,614	8,320	182,934
AMORTISATION AND IMPAIRMENT			
At 31/12/2019	(76,517)	(3,033)	(79,550)
Amortisation charge and impairment losses for the period	(6,751)	(383)	(7,134)
Other movements	-	-	-
Translation differences	1,454	27	1,481
At 31/12/2020	(81,814)	(3,390)	(85,203)
Amortisation charge and impairment losses for the period	(6,715)	(609)	(7,323)
Reversals of impairment losses	-	72	72
Translation differences	(55)	86	31
AT 31/12/2021	(88,583)	(3,900)	(92,482)
NET AMOUNTS			
At 31/12/2019	107,094	1,002	108,094
At 31/12/2020	92,575	930	93,505
At 31/12/2021	86,031	4,421	90,451

The gross amount of intangible assets comprises:

- the fair value of agreements for the delivery of electricity entered into by Albioma Codora Energia and Albioma Esplanada Energia in connection with the acquisition of control over these entities (see further information in note 3.1 to the consolidated financial statements);
- the fair value of agreements for the delivery of energy entered into by the thermal power plants (Albioma Bois-Rouge, Albioma Le Moule and Albioma Le Gol) with EDF when acquiring control of these entities on 1 October 2004, amortised over the residual lives of said agreements;
- the fair value of agreements entered into by the entities of the ElecSol sub-group, Albioma Solaire Réunion, Plexus Sol, Albioma Solaire France (formerly Eneco France) and Albioma Power Alliance recognised when allocating the acquisition price of these entities. These agreements are amortised over a period of 20 years;
- the fair value of Gümüşköy's operating licence recognised when allocating the acquisition price of this entity. This licence is amortised over a period of 19 years.

Impairment of other intangible assets is presented in the "Charges to provisions" line. Reversals of impairment losses are presented in the "Reversals of provisions" line in the income statement.

NOTE 16. PROPERTY, PLANT AND EQUIPMENT

<i>In thousands of euros</i>	Installations in service	Non-current assets in progress	Total
GROSS AMOUNTS			
At 31/12/2019	1,738,008	74,513	1,812,521
Acquisitions	85,606	40,117	125,723
Asset disposals and derecognition	(140)	(21)	(161)
Reclassifications	(11,097)	11,096	(1)
Translation differences	(25,327)	(8)	(25,335)
At 31/12/2020	1,787,050	125,696	1,912,746
Acquisitions	47,360	127,494	174,854
Asset disposals and derecognition	(1,780)	-	(1,780)
Impact of changes in the consolidation scope	3,347	438	3,785
Reclassifications	64,280	(64,280)	-
Translation differences	800	(718)	83
At 31/12/2021	1,901,058	188,633	2,089,691
DEPRECIATION AND IMPAIRMENT			
At 31/12/2019	(561,814)	(4,627)	(566,441)
Depreciation charge for the period	(71,307)	37	(71,270)
Asset disposals and derecognition	40	-	40
Translation differences	8,359	-	8,359
At 31/12/2020	(624,722)	(4,590)	(629,312)
Depreciation charge for the period	(73,992)	-	(73,992)
Impairment of assets and projects	(2,045)	-	(2,045)
Asset disposals and derecognition	1,110	-	1,110
Impact of changes in the consolidation scope	(1,023)	-	(1,023)
Translation differences	(166)	-	(168)
At 31/12/2021	(700,839)	(4,590)	(705,429)
NET AMOUNTS			
At 31/12/2019	1,176,194	69,886	1,246,080
At 31/12/2020	1,162,328	121,109	1,283,433
At 31/12/2021	1,200,219	184,043	1,384,260

Increases in property, plant and equipment in 2021 related mainly to:

- expenditure on the biomass conversion of the existing thermal power plants;
- the development of photovoltaic projects;
- capital expenditure intended to improve the efficiency of the Gümüşköy power plant.

Interest charges capitalised during 2021 in respect of power plants under construction totalled €0.7 million compared with €0.8 million in 2020.

The “Translation differences” line includes the impact of the change in the euro/Brazilian real exchange rate on the

assets located in Brazil and in the euro/Turkish lira exchange rate on assets located in Turkey.

For the year ended 31 December 2021, the downward revision of the tariffs for the photovoltaic installations resulting from the application of the 2021 Finance Act would lead to an impairment loss for two of the Group’s plants. A €2 million impairment loss has been recognised to reflect the effects of this decrease in tariffs on the value of these assets. The Group nevertheless contests the tariff revision for these two power plants and has exercised the safeguard clause with the CRE, as provided for by law.

Finance leases

A portion of the Group's industrial equipment is subject to finance leases. At the end of the lease period, the Group can exercise an option to purchase the equipment.

The amount net of depreciation of assets under finance leases was €45.1 million at 31 December 2021, compared with €50.7 million at 31 December 2020.

Financial debt in respect of finance leases is presented in note 25 to the consolidated financial statements.

NOTE 17. RIGHT-OF-USE ASSETS (IFRS 16)

<i>In thousands of euros</i>	Right-of-use assets related to office leases	Right-of-use assets related to plants	Total right-of-use assets (IFRS 16)
GROSS AMOUNTS			
At 31/12/2019	4,272	24,275	28,547
New leases	402	4,348	4,750
Disposals	-	(59)	(59)
At 31/12/2020	4,674	28,564	33,238
New leases	34	2,427	2,461
Disposals	-	(932)	(932)
Impact of changes in the consolidation scope	-	3,684	3,684
Other movements	29	166	195
At 31/12/2021	4,737	33,909	38,646
DEPRECIATION AND IMPAIRMENT			
At 31/12/2019	(484)	(1,839)	(2,323)
Depreciation charge and impairment losses for the period	(595)	(1,810)	(2,405)
Translation differences	-	5	5
At 31/12/2020	(1,079)	(3,644)	(4,723)
Depreciation charge and impairment losses for the period	(675)	(2,718)	(3,393)
Impact of changes in the consolidation scope	-	(1,554)	(1,554)
Other movements	(7)	(27)	(34)
Translation differences	-	158	158
At 31/12/2021	(1,761)	(7,785)	(9,546)
NET AMOUNTS			
At 31/12/2019	3,788	22,436	26,224
At 31/12/2020	3,595	24,920	28,515
At 31/12/2021	2,976	26,124	29,100

NOTE 18. PARTICIPATING INTERESTS IN EQUITY-ACCOUNTED COMPANIES

Equity-accounted investments include entities under significant influence, mainly comprising interests in the Mauritian entities as well as the interest in UTE Vale do Paraná Albioma. The financial information for the main equity-accounted companies is as follows:

<i>In thousands of euros</i>	2021	2020
Amount at the start of the period	22,753	26,563
Dividends paid	(955)	(2,476)
Share of net income of associates	3,306	1,636
Impact of changes in the consolidation scope	462	-
Capital increase	-	1,259
Translation differences	111	(5,034)
Other changes	(10)	805
Amount at the end of the period	25,667	22,753

Agreements for the sale of the electricity produced by the Mauritian entities include price indexation clauses that are treated as currency derivatives. Under these clauses, sale prices for part of the electricity delivered are indexed to changes in the Mauritian rupee/euro exchange rate.

Pursuant to IFRS 9, these embedded derivatives are recognised separately from their host contract (the agreement for the sale of electricity) on the contract start date and are measured at fair value, in the same way as stand-alone derivatives entered into with a bank.

Pursuant to IFRS 9 “Financial instruments” and IFRIC 16 “Hedges of a Net Investment in a Foreign Operation”, these

derivatives have been classified as hedges of a net investment in a foreign operation.

For the period ended 31 December 2021, the effect net of tax of the restatement of embedded derivatives in sale contracts on the value of investments in associates and recognised in translation reserves was €0.6 million, compared with €0.7 million at 31 December 2020. The change in fair value for 2021 was -€0.1 million net of tax on the Group share compared with €0.3 million in 2020.

At 31 December 2021

<i>In thousands of euros</i>	Terragen	OTEO Saint-Aubin	OTEO La Baraque	UTE Vale do Paraná Albioma	Other entities	Total
Location	Mauritius	Mauritius	Mauritius	Brazil		
Activity	Thermal Biomass	Thermal Biomass	Thermal Biomass	Thermal Biomass		
Percentage interest	27%	25%	25%	40%		
STATEMENT OF FINANCIAL POSITION						
Cash and cash equivalents	3,411	4,924	67	207		
Other current assets	12,824	14,554	23,827	6,072		
Non-current assets	25,132	10,718	54,332	22,300		
Current liabilities	7,593	14,862	28,571	1,952		
Non-current liabilities	3,506	1,097	18,941	14,573		
Net assets	30,267	13,982	30,714	12,054		
Contribution to the Group's investments in equity-accounted companies	8,172	3,493	7,678	4,821	1,503	25,667
Dividends paid to the Group	-	563	-	-	392	955
INCOME STATEMENT						
Revenue	37,445	23,093	48,492	10,454		
Net income for the year	2,732	1,546	1,784	3,935		
Group share of net income	738	387	446	1,574	162	3,306
Net income for the year	2,732	1,546	1,784	3,935		
Other comprehensive income (net of tax)	-	79	41	-		
Total comprehensive income	2,732	1,625	1,826	3,935		

At 31 December 2020

<i>In thousands of euros</i>	Terragen	OTEO Saint-Aubin	OTEO La Baraque	UTE Vale do Paraná Albioma	Other entities	Total
Location	Mauritius	Mauritius	Mauritius	Brazil		
Activity	Thermal Biomass	Thermal Biomass	Thermal Biomass	Thermal Biomass		
Percentage interest	27%	25%	25%	40%		
STATEMENT OF FINANCIAL POSITION						
Cash and cash equivalents	950	1,911	1,148	10		
Other current assets	9,371	10,365	18,095	497		
Non-current assets	26,044	11,347	56,987	22,473		
Current liabilities	4,796	7,849	21,230	1,639		
Non-current liabilities	3,676	1,463	25,909	13,343		
Net assets	27,894	14,312	29,092	7,996		
Contribution to the Group's investments in equity-accounted companies	7,531	3,576	7,273	3,199	1,174	22,753
Dividends paid to the Group	1,155	254	828	-	239	2,476
INCOME STATEMENT						
Revenue	25,384	18,668	44,523	137		
Net income for the year	816	996	3,755	(324)		
Group share of net income	220	249	939	(130)	358	1,636
Net income for the year	816	996	3,755	(324)		
Other comprehensive income (net of tax)	(108)	248	139	-		
Total comprehensive income	708	1,244	3,894	(324)		

NOTE 19. NON-CURRENT FINANCIAL ASSETS

<i>In thousands of euros</i>	Note	31/12/2021	31/12/2020
Security deposits		4,503	3,726
Non-consolidated investments		31	38
Loans due in more than one year		366	930
Financial instruments	26	8,173	363
Total		13,072	5,058

The deposits and collateral bear interest. These items are repayable on fixed dates or on the call option exercise date. The security deposits also generate interest that is capitalised.

All non-current financial assets are due in more than one year.

The changes for the period consist mainly of the changes in the fair value of hedging instruments detailed in note 26 to the consolidated financial statements.

NOTE 20. CASH AND CASH EQUIVALENTS

<i>In thousands of euros</i>	31/12/2021	01/01/2020
Cash equivalents	14,695	36,753
Cash	93,164	89,039
Total	107,860	125,792

Cash equivalents comprise available money market mutual funds and term deposits, for which changes in fair value are recognised in profit or loss. These cash equivalents consist of overnight placements of cash, whose value presents a negligible risk of change over time.

NOTE 21. TRADE RECEIVABLES

At 31 December 2021, trade receivables stood at €95.8 million compared with €67.5 million at 31 December 2020. The main cause of the change as compared with the position in 2020 was the impact of the delay in the payment of trade receivables.

The Group sells almost all the electricity it produces under agreements with:

- EDF for the thermal and photovoltaic companies in France;
- the Central Electricity Board (CEB) for the equity-accounted companies in Mauritius;
- various distributor or industrial customers authorised as Câmara de Comercialização de Energia Elétrica (CCEE) agents by the Agência Nacional de Energia Elétrica (ANEEL) for the Albioma Rio Pardo Termoelétrica, Albioma Codora Energia, Albioma Esplanada Energia and UTE Vale do Paraná Albioma plants in Brazil;
- Enerji Piyasaları İşletme A.Ş. (EPIAŞ) for the Gümüşköy geothermal power plant in Turkey.

Given the high quality of the parties to the electricity sale agreements, in the Group's opinion, the counterparty risk relating to trade receivables is not material.

The statement of financial position included no material overdue trade receivables at either 31 December 2021 or 31 December 2020.

NOTE 22. STOCKS

Stocks break down as follows:

<i>In thousands of euros</i>	31/12/2021	31/12/2020
STOCKS – GROSS AMOUNT		
Raw materials and fuels	22,749	15,354
Non-strategic spare parts	50,237	45,207
CO ₂ stocks		
Other stocks in progress	143	66
Total stocks – gross amount	76,098	60,627
IMPAIRMENT OF STOCKS		
Raw materials and fuels	(43)	(43)
Non-strategic spare parts	(257)	(257)
Total impairment of stocks	(300)	(300)
STOCKS – NET AMOUNT		
Raw materials and fuels	22,706	15,311
Non-strategic spare parts	49,980	44,950
CO ₂ stocks		
Other stocks in progress	143	66
Total stocks – net amount	75,798	60,327

Stocks of fuel increased due mainly to the delivery dates for the raw materials and the change in fuel prices, as well as the acquisition of CO₂ allowances to cover the Group's emissions. Stocks of spare parts held by the plants in the French Caribbean have increased due to their maintenance shutdown scheduled for early in 2022.

NOTE 23. OTHER CURRENT ASSETS

Other current operating assets break down as follows:

<i>In thousands of euros</i>	31/12/2021	31/12/2020
Tax and social security receivables	22,065	25,992
Current tax receivables	2,306	7,344
Prepayments	2,078	1,720
Other debtors	10,250	9,377
Total	36,699	44,433

The change in tax and social security receivables was due mainly to amounts received in 2021 relating to tax credits receivable in respect of the development activities and the bringing of the facilities into compliance with the regulations. These credits were recognised in tax receivables at 31 December 2020.

“Other debtors” include, in particular, current account balances due from, and advances paid to, suppliers.

NOTE 24. SHARE CAPITAL AND POTENTIAL SHARES**24.1. Share capital**

At 31 December 2021, the share capital comprised 32,052,047 shares with a nominal value of €0.0385, fully paid up, including 401,759 treasury shares held in connection with a share buyback programme.

At 31 December 2020, the share capital comprised 31,641,910 shares with a nominal value of €0.0385, fully paid up, including 428,444 treasury shares held in connection with a share buyback programme.

24.2. Stock-option and bonus performance share plans

Description of the plans in operation at 31 December 2021 (or that expired during the 2021 financial year)

	2021 performance share plan	2020 performance share plan	2019 performance share plan	2018 performance share plan
Date of the Board of Directors' meeting (allotment)	03/03/2021	02/03/2020	07/03/2019	30/05/2018
Exercise period	n/a	n/a	n/a	n/a
End of acquisition period	See details hereafter	See details hereafter	See details hereafter	See details hereafter
Total number of options and shares originally authorised	224,977	303,971	305,420	309,600
Initial strike price	n/a	n/a	n/a	n/a
Total adjusted number of options or shares	n/a	n/a	n/a	n/a
Number of instruments in issue at 31/12/2017	-	-	-	-
Rights allotted during the period	-	-	-	309,600
Rights cancelled during the period	-	-	-	(13,500)
Shares vesting in the period	-	-	-	-
Number of instruments in issue at 31/12/2018	-	-	-	296,100
Rights allotted during the period	-	-	305,420	-
Rights cancelled during the period	-	-	(11,020)	(13,760)
Shares vesting in the period	-	-	-	-
Number of instruments in issue at 31/12/2019	-	-	294,400	282,340
Rights allotted during the period	-	303,971	-	-
Rights cancelled during the period	-	(7,868)	(8,280)	(260)
Shares vesting in the period	-	-	-	-
Number of instruments in issue at 31/12/2020	-	296,103	286,120	282,080
Rights allotted during the period	224,977	-	-	-
Rights cancelled during the period	(10,300)	(9,138)	(7,180)	(65,978)
Shares vesting in the period	-	(2,581)	(7,500)	(216,102)
Number of instruments in issue at 31/12/2021	214,677	284,384	271,440	-

2018 bonus performance share plan**Performance conditions**

The awards were divided up into four tranches, and each tranche covers 25% of the shares awarded. Different performance conditions had to be met to trigger the vesting of each tranche. These performance conditions are based on the growth in consolidated EBITDA during the 2020 financial year compared with the consolidated EBITDA for the 2017 financial year, on the growth in consolidated earnings per share for the 2020 financial year compared with the consolidated earnings per share for the 2017 financial year and on the change in the Albioma share price, calculated with net dividends reinvested (based on the average share price over 120 days) between 1 January 2018 and 31 December 2020 compared with the movement in the CAC Small Net Return (CACSN) index over the same period, and on the increase between 2017 and 2020 in the proportion of the Group's total energy production that corresponds to renewable energies.

Lock-in commitment

Shares that have vested are subject to a one-year lock-in obligation, notwithstanding the obligation on corporate officers to retain as registered shares 25% of the shares vesting until they stand down from office.

Status of the plan at 31 December 2021

Expired.

The performance levels resulted in the vesting, on 30 May 2021, of 216,102 shares in light of the continued service of the relevant beneficiaries at these dates.

2019 bonus performance share plan**Performance conditions**

The awards are divided up into four tranches, and each tranche covers 25% of the shares awarded. Different performance conditions must be met to trigger the vesting of each tranche. These performance conditions are based on the growth in consolidated EBITDA during the 2021 financial year compared with the consolidated EBITDA for the 2018 financial year, on the growth in consolidated earnings per share for the 2021 financial year compared with the consolidated earnings per share for the 2018 financial year and

on the change in the Albioma share price, calculated with net dividends reinvested (based on the average share price over 120 days) between 1 January 2019 and 31 December 2021 compared with the movement in the CAC Small Net Return (CACSN) index over the same period, and on the increase between 2018 and 2021 in the proportion of the Group's total energy production that corresponds to renewable energies.

Lock-in commitment

Shares that have vested are subject to a one-year lock-in obligation, notwithstanding the obligation on corporate officers to retain as registered shares 25% of the shares vesting until they stand down from office.

Status of the plan at 31 December 2021

Plan currently in operation.

2020 bonus performance share plan**Performance conditions**

The awards are divided up into four tranches, and each tranche covers 25% of the shares awarded. Different performance conditions must be met to trigger the vesting of each tranche. These performance conditions are based on the growth in consolidated EBITDA during the 2022 financial year compared with the consolidated EBITDA for the 2019 financial year, on the growth in consolidated earnings per share for the 2022 financial year compared with the consolidated earnings per share for the 2019 financial year and on the change in the Albioma share price, calculated with net dividends reinvested (based on the average share price over 120 days) between 1 January 2020 and 31 December 2022 compared with the movement in the CAC Small Net Return (CACSN) index over the same period, and on the increase between 2019 and 2022 in the proportion of the Group's total energy production that corresponds to renewable energies.

Lock-in commitment

Shares that have vested are subject to a one-year lock-in obligation, notwithstanding the obligation on corporate officers to retain as registered shares 25% of the shares vesting until they stand down from office.

Status of the plan at 31 December 2021

Plan currently in operation.

2021 bonus performance share plan

Performance conditions

The awards are divided up into four tranches, and each tranche covers 25% of the shares awarded. Different performance conditions must be met to trigger the vesting of each tranche. These performance conditions are based on the growth in consolidated EBITDA during the 2023 financial year compared with the consolidated EBITDA for the 2020 financial year, on the growth in consolidated earnings per share for the 2023 financial year compared with the consolidated earnings per share for the 2020 financial year and on the change in the Albioma share price, calculated with net dividends reinvested (based on the average share price over 120 days) between 1 January 2021 and 31 December 2023 compared with the movement in the SBF 120 Net Return index and the CAC Utilities Net Return index over the same period, and on the increase between 2020 and 2023 in the proportion of the Group's total energy production that corresponds to renewable energies.

Lock-in commitment

Shares that have vested are subject to a one-year lock-in obligation, notwithstanding the obligation on corporate officers to retain as registered shares 25% of the shares vesting until they stand down from office.

Status of the plan at 31 December 2021

Plan currently in operation.

Valuation and amounts recognised as expenses

	2021 performance share plan	2020 performance share plan	2019 performance share plan	2018 performance share plan
Initial unit fair value (in euros)	29,12	26,01	18,53	18,66
Life of the conditional allotment	3 years	3 years	3 years	3 years
Total expense estimated in application of IFRS 2 (in thousands of euros)	3,781	3,467	2,778	2,837
AMOUNT RECOGNISED IN EXPENSES (IN THOUSANDS OF EUROS)				
2021	1,071	846	1,444	977
2020	-	564	312	759
2019	-	-	759	1,004
ASSUMPTIONS USED FOR EVALUATION				
Volatility	-	26%	28%	28%
Stock lending/borrowing rate	n/a	n/a	n/a	n/a
Dividends	The expected dividend yield was estimated using a forward-looking approach, based on the distribution policy announced by the Group			

24.3. Capital increase reserved for Group savings plan subscribers (Albioma Invest 2021)

Albioma carried out a capital increase reserved for employees, executives and former employees subscribing to the Group savings plan in France and Brazil, starting on 5 May 2021. The main terms of this programme, named "Albioma Invest 2021", are set out below.

This purpose of this programme is to give employees a stake in the Group's results and future success by aligning their interests with those of shareholders. It enables eligible Group employees and executives to indirectly invest in Albioma stock on preferential terms and, in the case of those fiscally resident in France, to benefit from a favourable tax regime. In return, the investment of subscribers will be locked in for five years.

The beneficiaries could subscribe to the offer in either of the following investment plans:

- A "Classic" plan via the Albioma Relais 2021 corporate mutual fund (FCPE), which is to be merged with the Albioma FCPE's "Albioma Classic" compartment following Supervisory Board approval of both funds. FCPE Albioma Relais 2021 received authorisation from the French Financial Markets Authority (AMF - Autorité des Marchés Financiers) on 20 April 2021. Under this plan, the value of the employee's investment will rise and fall with the Albioma share price. Employees receive a 30% discount and a share contribution by the employer;

■ A “Multiple” plan via the Albioma FCPE’s “Albioma Multiple 2021” compartment. The “Albioma Multiple 2021” compartment was authorised by the French Financial Markets Authority (Autorité des Marchés Financiers – AMF) on 20 April 2021. Under this plan, the subscriber is guaranteed that the higher value of either (i) a guaranteed return on his or her personal contribution or (ii) a multiple of the protected average rise in the Albioma share price will be added to the amount of his or her personal contribution. In return, the subscriber does not receive any dividends or other income from the Albioma shares subscribed under the Albioma FCPE’s “Albioma Multiple 2021” compartment and the 30% discount.

Pursuant to IFRS 2 “Share-based Payments”, an expense amounting to €718 thousand was recognised under staff costs in 2021. The capital increase resulted in the issue of 197,386 new shares for €4,832 thousand.

24.4. Redeemable share subscription and/or purchase warrants (“BSAAR Warrants”)

In December 2018, Albioma launched an issue of redeemable share subscription and/or purchase warrants (the “BSAAR warrants”) to 42 employees of the Company and its subsidiaries and the Company’s Chief Executive Officer, without preferential subscription rights for the shareholders.

With a subscription rate of over 140%, the transaction resulted in the issue of 1,071,731 BSAAR warrants of €0.90 each (giving issue proceeds of €964,557.90), allocated to 31 subscribers including the Chief Executive Officer, who subscribed for 110,650 BSAAR warrants.

The exercise of all of the BSAAR warrants would result in the creation, between 6 December 2021 and 4 December 2024, of a number of new shares representing around 3.34 % of the share capital as at 31 December 2021 (3.24 % of the share capital post exercise of the BSAAR warrants). The exercise price of the BSAAR warrants was set at €20.90, i.e. a price equal to 120% of the average closing prices quoted for the Company’s shares over a period of 20 consecutive trading days preceding 8 November 2018.

Since the opening of their exercise period on 6 December 2021, the BSAAR warrants have been admitted to trading on Euronext Growth. At 31 December 2021, 99,841 BSAAR warrants had been exercised, representing exercise proceeds of €2,086,676.90. All of the exercised BSAAR warrants resulted in the delivery of an equivalent number of the Company’s treasury shares.

24.5. Number of shares

Movements in the number of shares making up the share capital are shown below:

At 31/12/2019	30,886,369
Shares issued due to the payment of dividends in shares	321,377
Treasury shares	5,720
At 31/12/2020	31,213,466
Shares issued during the period	197,386
Shares issued due to the payment of dividends in shares	212,751
Treasury shares	26,685
At 31/12/2021	31,650,288

Calculation of the dilution

The diluted weighted average number of shares is calculated using the share buyback method. The funds received on exercise of the rights attached to the dilutive instruments are assumed to be allocated to the buyback of shares at market price on the last day of the financial year. The number of shares thus obtained is deducted from the total number of shares resulting from exercise of the rights.

Shares whose issuance is conditional are included in the calculation of diluted earnings per share only when, at the end of the period in question, the acquisition conditions are met.

The dilutive effects are created by the issuance of stock subscription options as well as by the allotment of bonus performance shares.

	31/12/2021	31/12/2020
Weighted average number of shares	31,431,877	31,049,918
Potential dilution	864,937	1,111,520
Diluted weighted average number of shares	32,296,814	32,161,437
GROUP TOTAL		
Net income	59,024	55,314
Net income/weighted average number of shares (in euros)	1.878	1.781
Net income/diluted weighted average number of shares (in euros)	1.828	1.720

24.6. Dividends

The Ordinary and Extraordinary General Meeting of Shareholders on 25 May 2021 approved the payment of a dividend of €0.80 per share with an option for the payment of 50% of the dividend in the form of new shares. The option, which could be exercised from 14 June to 5 July 2021, resulted in the subscription of 212,751 new shares, giving a reinvestment rate of 54.80 %.

NOTE 25. FINANCIAL DEBT

25.1. Analysis by type (current and non-current)

The Group's financial debt can be broken down as follows:

<i>In thousands of euros</i>	At 31/12/2021				At 31/12/2020			
	Project debt	Corporate debt	Bank overdrafts, accrued interest and loan issue costs	Total	Project debt	Corporate debt	Bank overdrafts, accrued interest and loan issue costs	Total
Debts with financial institutions	838,939	142,500	(20,251)	961,188	796,288	112,500	(17,016)	891,772
Lease liabilities	9,781	-	-	9,781	10,230	-	-	10,230
Lease liabilities related to right-of-use assets	41,992	-	-	41,992	38,460	-	-	38,460
Total	890,712	142,500	(20,251)	1,012,961	844,978	112,500	(17,016)	940,462
Non-current financial debt				900,156				859,513
Current financial debt				112,805				80,949

At 31 December 2021, the Group's average interest rate was 2.9% compared with 3% in 2020. Excluding short-term lines, fixed-rate debt (after hedging is taken into account) represented 88% of total financial debt (see additional information in note 26 to the consolidated financial statements), compared with 90% at 31 December 2020.

Project debt is non-recourse debt in respect of Albioma, except in the case of Brazil and debt relating to projects in the construction phase, for which Albioma has granted parent company guarantees. It is borne by dedicated project entities.

The change in financial debt during the period is broken down below:

<i>In thousands of euros</i>	Lease liabilities	Bank and other borrowings	Lease liabilities related to right-of-use assets	Total
31/12/2019	11,373	926,552	35,934	973,860
Debt issues	-	144,807	4,488	149,295
Repayments	(1,304)	(168,110)	(1,908)	(171,323)
Reclassifications	161	(3,426)	(59)	(3,324)
Net change	-	342	-	342
Translation differences	-	(8,393)	5	(8,388)
Impact of changes in the consolidation scope	-	(1)	-	(1)
31/12/2020	10,230	891,772	38,460	940,461
Debt issues	-	186,848	2,375	189,223
Repayments	(1,095)	(122,522)	(2,866)	(126,483)
Reclassifications	646	(282)	2	366
Net change	-	(542)	(334)	(876)
Translation differences	-	2,715	1,641	4,356
Impact of changes in the consolidation scope	-	3,198	2,714	5,913
31/12/2021	9,781	961,188	41,992	1,012,961

For the year ended 31 December 2021, the main debt issues were as follows:

- The €101 million drawdown following the signing on 8 April 2021 of a rider to Albioma Bois-Rouge's 23 December 2016 financing agreement for an additional amount of €204 million to finance the biomass conversion work (maturity date 31 December 2039);
- the €9.4 million drawdown by Albioma Solaire Réunion to finance projects in the development phase;
- the drawdown of the €19 million revolving credit facility on 28 December 2021 for the acquisition of the La Granaudière production unit and the drawdown of a new corporate debt from Bpifrance Financement totalling €9.5 million.

The increase in the lease liabilities related to right-of-use assets was due to the signing of new leases by Albioma Le Moule and by the entities in the Solar Power sector, in connection with project development, as well as the first-time consolidation of the Gümüşköy power plant.

The "Translation differences" line includes the impact of changes in the Brazilian real and Turkish lira exchange rates against the euro.

For the year ended 31 December 2020, the main debt issues were as follows:

- the issue by Albioma, on 7 December 2020, of its first Sustainability-Linked Euro PP, for the amount of €100 million. This private placement comprises two tranches at 7 and

8 years respectively, subscribed by leading institutional investors. The funds raised were used to refinance the existing Euro PP and will subsequently be used for the Group's general financing needs over the medium term, to support Albioma in implementing its investment programme;

- the €12.9 million drawdown by Albioma Solaire Réunion to finance projects in the development phase;
- the €33.0 million drawdown by Albioma Le Moule to finance the biomass conversion programme.

The increase in the lease liabilities relating to right-of-use assets was due to the signing of new leases by Albioma Le Moule and by the entities in the Solar Power sector, in connection with project development.

The "Translation differences" heading included the impact of the changes in the Brazilian real exchange rate.

Other debt issues related mainly to:

- the drawdown of the €33 million balance of the Albioma Le Moule debt intended to finance the work to bring the power plant into compliance with the Industrial Emissions Directive (IED);
- the drawdown of the €29 million balance of the Albioma Bois-Rouge debt intended to finance the work to bring the power plant into compliance with the Industrial Emissions Directive (IED).

In addition, at 31 December 2021, Albioma had undrawn credit lines amounting to €41 million.

25.2. Maturity analysis of total repayments of financial debt

The breakdown by maturity of total undiscounted repayments of financial debt (including repayment of principal and payment of interest) is as follows:

At 31 December 2021

<i>In thousands of euros</i>	Due within 1 year	Due between 1 and 5 years	Due in more than 5 years	Total
Financial debt	109,662	325,062	526,514	961,238
Lease liabilities	1,133	4,789	3,809	9,731
Lease liabilities related to right-of-use assets	2,010	14,633	25,349	41,992
Total	112,805	344,484	555,672	1,012,961

At 31 December 2020

<i>In thousands of euros</i>	Due within 1 year	Due between 1 and 5 years	Due in more than 5 years	Total
Financial debt	104,275	376,669	574,608	1,055,552
Lease liabilities	1,616	5,533	5,758	12,907
Lease liabilities related to right-of-use assets	1,777	10,695	25,987	38,460
Total	107,668	392,897	606,353	1,106,919

For debt at variable interest rates, total repayments have been determined based on interest rates at the end of the financial year concerned.

The amount of minimum payments in respect of finance leases corresponds to the total repayments of lease liabilities indicated above.

25.3. Net borrowings

<i>In thousands of euros</i>	31/12/2021	31/12/2020
BORROWINGS AND FINANCIAL DEBT		
Finance leases	9,781	10,230
Lease liabilities related to right-of-use assets	41,992	38,460
Bank loans	981,439	908,788
Other liabilities	(20,251)	(17,016)
Total	1,012,961	940,462
CASH AND CASH EQUIVALENTS		
Cash	(93,164)	(89,039)
Cash equivalents	(14,695)	(36,753)
Total	(107,860)	(125,792)
Finance lease deposits	(4,503)	(3,726)
Net financial debt after deducting deposits paid	900,599	810,943

The project companies also benefited from shareholder advances recognised in "Other current liabilities" in the amount of €13.4 million at 31 December 2021, compared with €11.8 million at 31 December 2020.

NOTE 26. FINANCIAL DERIVATIVES

26.1. Hedging instruments

Certain loans and leases entered into by the subsidiaries incorporate interest variation clauses. The agreements entered into with EDF generally allow for all or part of this variability to be passed on. When there is no such risk transfer, the Group has entered into interest rate swaps, lending at variable rates and borrowing at fixed rates. The situation pertaining to each lease for the subsidiaries in question, in terms of interest rate risk, as well as their impact on the statement of financial position pursuant to IFRS 9, is shown in the table below. The swaps entered into by Albioma and its subsidiary Albioma Caraïbes for the purposes of hedging the residual value of the lease have been recognised as cash flow hedges.

Analysis of electricity sale agreements entered into with the Central Electricity Board (CEB) in Mauritius by OTEO La Baraque, OTEO Saint-Aubin and Terragen respectively indicated the presence of embedded currency derivatives that have been recognised at fair value in the financial statements of these equity-accounted companies. They have been classified as hedges of a net investment. The amounts recognised in respect of these derivatives are presented in note 16 to the consolidated financial statements.

The amount recognised in profit or loss in respect of the ineffective portion of hedging instruments is immaterial.

Maturity	Notional amount in millions of euros	Fair values in the statement of financial position				Recognition of changes		
		31/12/2020		31/12/2021		Profit or loss	Transitory account in shareholders' equity	
		Assets	Liabilities	Assets	Liabilities			
<i>In thousands of euros</i>								
Hedging of variable-rate debt by interest-rate swaps	2020 to 2040	680	358	(55,023)	3,073	(32,543)	-	25,195
Total cash flow hedging derivatives		680	358	(55,023)	3,073	(32,543)	-	25,195

The change in the fair value of financial derivative instruments was due mainly to changes in interest rates.

A 50bp decline in interest rates would increase the amount of financial liabilities relating to hedging instruments by €19.6 million. A 50bp increase in interest rates would decrease the amount of financial liabilities relating to hedging instruments by €19.1 million. These effects would result in entries in equity for their amounts net of contingent tax.

The valuation of the credit risk of derivatives is calculated in accordance with IFRS 13 using historical probabilities of default derived from the calculations of a leading rating agency and a collection rate. At 31 December 2021, this valuation was immaterial.

The following table provides an analysis by maturity date of the fair value of the financial instruments at 31 December 2021:

<i>In thousands of euros</i>	
Due within 1 year	9,635
Due between 1 and 5 years	17,980
Due in more than 5 years	1,855
Total	29,470

26.2. Call option on Albioma Rio Pardo Termoelétrica shares

The Group has given Usina Rio Pardo an option enabling it, at the end of the consortium agreement, to acquire the Albioma Rio Pardo Termoelétrica shares held by the Group or the assets held by Albioma Rio Pardo Termoelétrica for a price of BRL 1. The exercise price will, with the agreement of Usina Rio Pardo, be increased by the net carrying amount of the investments made and not fully depreciated on the date the option is exercised.

26.3. Embedded derivative

Under the Gümüşköy geothermal power plant's electricity sale agreement, the power sale prices are index-linked to the exchange rate between the Turkish lira and the US dollar. Symmetrically, the company has issued debt in US dollars to finance its assets. The nominal value of the debt in US dollars and the amount of the dollar-indexed future sales are comparable.

From the point of view of the application of the IFRS standards, the indexing of the sale price is likened to a forward currency (dollar) sale. This forward sale is therefore recognised in the balance sheet as a derivative financial instrument and valued, at each closing, on the basis of the exchange rate at the period-end and the estimated volume of future sales. In consideration, an exchange gain or loss is recognised under financial income and expenditure.

At every period-end, the debt denominated in US dollars is revalued at the closing rate, at the same time as the derivative financial instruments are revalued. The effects of this revaluation are also recorded under financial income and expenditure as an exchange gain or loss.

NOTE 27. EMPLOYEE BENEFITS

The amount of contributions paid in respect of defined contribution retirement plans amounted to €7.1 million for the year ended 31 December 2021 compared with €6.9 million for 2020.

Employee benefits break down as follows:

<i>In thousands of euros</i>	31/12/2021	31/12/2020
Post-employment benefits	44,878	48,706
Other long-term benefits	3,734	3,899
Total	48,612	52,605

27.1. Post-employment benefits

The provision for retirement obligations (defined benefit plan granted to employees) relates to the lump-sum retirement payment plan (*régime d'indemnités de départ en retraite* – IDR) applicable to French companies, the Electricity and Gas Industry (IEG) plan and the time banking for pre-retirement leave (*comptes épargne jours retraite* – CEJR) applicable to the employees of certain subsidiaries (specific pensions and guarantee to preserve specific benefits following their retirement). The net expense recognised in the income statement in respect of defined benefit post-employment benefit plans breaks down as follows:

<i>In thousands of euros</i>	31/12/2021	31/12/2020
Cost of services rendered during the year	3,883	2,402
Financial cost	235	320
Net expense for the year	4,118	2,722

The cost of services rendered net of benefits paid is presented in the “Charges to provisions” line in the income statement. The financial cost is presented in the “Other financial expenses” line in the income statement.

The change in the net amounts recognised in the statement of financial position is analysed below:

<i>In thousands of euros</i>	31/12/2021	31/12/2020
Opening obligation	48,706	39,616
Net expense for the year	4,118	2,722
Contributions paid	(1,120)	(1,399)
Actuarial gains and losses recognised in reserves	(6,376)	7,830
Impact of IFRIC IAS 19	(482)	-
Other changes	32	(63)
Closing obligation	44,878	48,706

The amount of plan assets is immaterial.

For the year ended 31 December 2021, actuarial gains and losses stem from experience effects for an amount of €0.9 million and the impact of changes in actuarial assumptions for an amount of -€7.3 million.

For the year ended 31 December 2020, actuarial gains and losses stem from experience effects for an amount of €1.4 million and the impact of changes in actuarial assumptions for an amount of 6.4 million.

27.2. Other long-term benefitse

Other long-term benefits mainly comprise additional medical coverage.

The amounts recognised in liabilities in respect of these plans break down as follows:

<i>In thousands of euros</i>	31/12/2021	31/12/2020
Present value of the liability	3,734	3,899
Net amount recognised in the statement of financial position	3,734	3,899

The net expense recognised in the income statement in respect of other long-term benefits breaks down as follows:

<i>In thousands of euros</i>	31/12/2021	31/12/2020
Cost of services rendered during the year	76	641
Financial cost	11	27
Net expense for the year	87	668

The cost of services rendered net of benefits paid is presented in the “Charges to provisions” line in the income statement. The financial cost is presented in the “Other financial expenses” line in the income statement.

The change in the net amounts recognised in the statement of financial position is analysed below:

<i>In thousands of euros</i>	31/12/2021	31/12/2020
Net amount recognised in the opening statement of financial position	3,899	3,505
Net expense for the year	87	668
Contributions paid	(252)	(274)
Impact of changes in the consolidation scope	-	-
Other changes	-	-
Net amount recognised in the closing statement of financial position	3,734	3,899

27.3. Actuarial assumptions

The main actuarial assumptions used to calculate obligations in respect of lump-sum retirement payments (*indemnités de départ en retraite* - IDR) and the Electricity and Gas Industry (Industries Électriques et Gazières - IEG) statute are as follows:

	31/12/2021	31/12/2020
Discount rate	0,80%	0,30%
Inflation rate	1,70%	1,70%
Life expectancy table	INSEE generational	INSEE generational

A 50bp increase in the discount rate would decrease the amount of employee benefit obligations by around €2.6 million, while long-term benefit obligations would fall by around €0.2 million.

NOTE 28. PROVISIONS FOR LIABILITIES

The change in provisions for liabilities and charges during the year comprises the following items:

<i>In thousands of euros</i>	Provisions to hedge industrial and other risks	Other provisions	Total non-current provisions
Provision at 31/12/2019	2,300	2,636	4,936
Charges	-	1,795	1,795
Reversals – unused	-	(32)	(32)
Impact of changes in the consolidation scope	-	-	-
Translation differences	-	2	2
Other	-	(68)	(68)
Provision at 31/12/2020	2,300	4,333	6,633
Charges	-	1,700	1,700
Reversals – unused	(2,093)	-	(2,093)
Reversals – used	-	-	-
Impact of changes in the consolidation scope	-	-	-
Translation differences	-	(4)	(4)
Other	(207)	2	(205)
Provision at 31/12/2021	-	3,392	3,392

For the year ended 31 December 2021, reversals of unused provisions corresponded to a liabilities guarantee coming to an end and charges to provisions related mainly to the risks of costs being incurred in respect of the disposal of combustion by-products.

During the 2020 financial year, the Group recognised provisions for liabilities in respect of the uncertainties surrounding projects and in respect of litigation and disputes. The provision reversals were due to liabilities or disputes recognised in previous years ceasing to exist.

NOTE 29. DEFERRED TAX

Deferred tax assets and liabilities recognised in the statement of financial position break down as follows:

<i>In thousands of euros</i>	Assets		Liabilities		Net	
	2021	2020	2021	2020	2021	2020
Difference between amounts for accounting and tax purposes						
Non-current assets	10,957	10,437	(20,660)	(21,301)	(9,703)	(10,864)
Provisions	12,844	14,018	-	-	12,844	14,018
Other	2,882	4,293	(5,091)	(6,272)	(2,209)	(1,979)
Finance leases	2,621	2,583	(32,061)	(34,047)	(29,440)	(31,464)
Derivatives	7,586	14,104	(1,020)	-	6,566	14,104
Tax losses	1,405	40	-	-	1,405	40
Total	38,295	45,475	(58,832)	(61,620)	(20,536)	(16,145)
Impact of offsetting	(35,856)	(43,003)	35,856	43,003	-	-
Net deferred tax	2,439	2,472	(22,975)	(18,617)	(20,536)	(16,145)

The change in the net deferred tax during the period comprises the effect of the decrease in the standard tax rate provided for by the 2018 Finance Act and applicable to the Group in France as from 2019. Thus, in accordance with IAS 12 "Income Taxes", deferred taxes which are expected to reverse as from 1 January 2020 have been measured on the basis of a standard tax rate of 25%.

The change in deferred tax is broken down below:

<i>In thousands of euros</i>	Total
Net deferred tax at 31/12/2018	(32,180)
Profit or loss	7,314
Impact of business combinations	(2,511)
IFRS 16 initialisation	2,352
Other	1,834
Equity	4,608
Net deferred tax at 31/12/2019	(18,583)
Profit or loss	(964)
Other	221
Equity	3,181
Net deferred tax at 31/12/2020	(16,145)
Profit or loss	3,465
Impact of business combinations	(4)
Other	519
Other comprehensive income	(8,063)
Translation differences	(308)
Net deferred tax at 31/12/2021	(20,537)

NOTE 30. TRADE PAYABLES

These liabilities break down as follows:

<i>In thousands of euros</i>	31/12/2021	31/12/2020
Trade payables	83,970	66,453
Amounts due to suppliers of non-current assets	7,358	4,653
Total	91,328	71,106

The change in trade payables was due mainly to the delayed payment of sugar and fuel suppliers.

The main components of the change in amounts due to suppliers of non-current assets were Albioma Bois-Rouge's trade payables in respect of projects in the development phase.

NOTE 31. CORPORATION TAX, DUTIES, AND TAX AND SOCIAL SECURITY LIABILITIES

These liabilities break down as follows:

<i>In thousands of euros</i>	31/12/2021	31/12/2020
Current tax liabilities	4,365	9,990
Other tax and social security liabilities	38,668	32,921
Total	43,032	42,911

NOTE 32. OTHER CURRENT OPERATING LIABILITIES

Other current liabilities break down as follows:

<i>In thousands of euros</i>	31/12/2021	31/12/2020
Deferred income	7,379	7,890
Other creditors	15,064	23,145
Total	22,447	31,035

The main components of «Other creditors» are current accounts and other operating liabilities.

NOTE 33. FINANCIAL INSTRUMENTS

The fair values of financial instruments are as follows:

<i>In thousands of euros</i>	Carrying amount		Fair value	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
FINANCIAL ASSETS				
Non-current financial assets	13,072	5,058	13,072	5,058
Trade receivables	95,810	67,462	95,810	67,462
Other current assets	36,699	44,433	36,699	44,433
Cash and cash equivalents	107,860	125,792	107,860	125,792
Total financial assets	253,441	242,745	253,441	242,745
FINANCIAL LIABILITIES				
Non-current financial debt	860,174	822,830	1,005,093	942,131
Lease liabilities related to right-of-use assets – non-current	39,982	36,682	39,982	36,682
Current financial debt	110,795	79,172	110,795	79,172
Lease liabilities related to right-of-use assets – current	2,010	1,777	2,010	1,777
Trade payables	91,328	71,106	91,328	71,106
Other current financial liabilities	65,449	73,946	65,449	73,946
Financial derivatives	32,543	55,023	32,543	55,023
Total financial liabilities	1,202,281	1,140,537	1,347,200	1,259,838

The fair value of an asset or liability is the price that would be agreed between willing parties in an arm's length transaction. On the transaction date, it generally corresponds to the transaction price. Subsequent determination of the fair value must be based on observable market data that provide the most reliable indication of the fair value of a financial instrument.

For the swaps, the fair value of derivatives is determined based on the discounted contractual cash flows. The fair value of borrowings is determined by discounting the contractual cash flows at market interest rates.

The fair value of trade payables and trade receivables corresponds to the carrying amount indicated in the statement of financial position as the impact of discounting the future cash flows is immaterial.

At 31 December 2021

<i>In thousands of euros</i>	Level ²	Carrying amount	Financial assets and liabilities measured at fair value through profit or loss	Loans, receivables and hedging instruments
FINANCIAL ASSETS				
Non-current financial assets	2	13,072	-	13,072
Trade receivables	2	95,810	-	95,810
Other current assets		36,699	-	36,699
Cash and cash equivalents	1 and 2	107,860	107,860	-
TOTAL FINANCIAL ASSETS		253,441	107,860	145,582
FINANCIAL LIABILITIES				
Non-current financial debt ¹	2	860,174	-	860,174
Current financial debt	2	110,795	-	110,795
Trade payables		91,328	-	91,328
Other current financial liabilities	2	65,449	-	65,449
Financial derivatives	2	32,543	-	32,543
Total financial liabilities		1,160,289	-	1,160,289

1. Non-current financial debt relating to call options on non-Group interests is valued on the basis of discounted cash flows.

2. The classification levels are defined as follows:

- Level 1: prices quoted on an active market;
- Level 2: prices quoted on an active market for a similar instrument, or another evaluation technique based on observable parameters;
- Level 3: evaluation technique incorporating non-observable parameters.

At 31 December 2020

<i>In thousands of euros</i>	Level ²	Carrying amount	Financial assets and liabilities measured at fair value through profit or loss	Loans, receivables and hedging instruments
FINANCIAL ASSETS				
Non-current financial assets	2	5,058	-	5,058
Trade receivables	2	67,462	-	67,462
Other current assets		44,433	-	44,433
Cash and cash equivalents	1 and 2	125,792	125,792	-
Total financial assets		242,745	125,792	116,953
FINANCIAL LIABILITIES				
Non-current financial debt ¹	2	823,633	-	823,633
Current financial debt	2	81,693	-	81,693
Trade payables		67,782	-	67,782
Other current financial liabilities	2	73,946	-	73,946
Financial derivatives	2	55,023	-	55,023
Total financial liabilities		1,102,078	-	1,102,078

1. Non-current financial debt relating to call options on non-Group interests is valued on the basis of discounted cash flows.

2. The classification levels are defined as follows:

- Level 1: prices quoted on an active market;
- Level 2: prices quoted on an active market for a similar instrument, or another evaluation technique based on observable parameters;
- Level 3: evaluation technique incorporating non-observable parameters.

NOTE 34. RISK AND CAPITAL MANAGEMENT

34.1. Risk management

Interest rate risk

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

Net financial debt after deducting finance lease deposits came to €900.6 million at 31 December 2021 compared with €810.9 million at 31 December 2020. Interest rate hedging instruments are presented in note 25 to the consolidated financial statements.

At 31 December 2021, fixed-rate or hedged debt represented 88% of total financial debt (excluding short-term credit lines), compared with 90% at 31 December 2020.

Sensitivity of financial assets and liabilities to changes in interest rates

After taking into account interest rate hedges, a 50 basis points increase in interest rates would result in an additional expense of €0.7 million. This amount corresponds to 2% of the total amount of financial expenses for the year under review (€32 million). This percentage indicates the impact on the Group's financial expenses of a change in interest rates:

- on financial assets and liabilities at variable rates;
- on financial assets and liabilities at fixed rates maturing in less than one year.

The increase in charges is partly passed on to customers in accordance with the contracts for the sale of electricity for the Thermal Biomass sector.

Currency risk

The Group's transactions are carried out mainly in euros, except for:

- coal and wood pellets purchases by the subsidiaries, which are denominated in US dollars, with sale prices to clients specifically taking into account exchange rate movements;
- the business of the Brazilian companies: in the development of its Thermal Biomass business in Brazil, the Group is now exposed to a euro/Brazilian real currency risk that may affect its results when the financial statements of its Brazilian subsidiaries are converted into euros, and this will make it more difficult to compare performances from one year to the next. For example, if the euro appreciates against the Brazilian real, this will reduce the contribution to the consolidated results made by subsidiaries that prepare their financial statements in the Brazilian currency. As regards long-term assets, the Group has put in place a hedging policy aimed at reducing currency risks associated with financing in the Brazilian currency;
- the business of the Turkish companies: these entities can benefit from an electricity sale price indexed to the US dollar and at the same time issue debt in US dollars. For these entities, the Group is exposed to changes in the US dollar/euro exchange rate for the difference between future sales indexed in US dollars and the outstanding principal of US dollar-denominated debt. It is also exposed to changes in the exchange rate of the Turkish lira against the euro as regards the non-indexed or non-dollar denominated part;
- the activity of companies in which Albioma holds non-controlling interests in Mauritius. These companies' financial statements are prepared in Mauritian rupees. Currency risk arises mainly from the impact of the movement in the exchange rate on the overall amounts recognised using equity accounting (recognised directly in equity), the revaluation of financial debt, denominated in certain cases in euros, and the partial indexation to the euro of electricity sale agreements. Also, the Group has recognised embedded currency derivatives (Euro/Mauritian rupee) relating to electricity sale contracts.

In respect of the periods presented, currency risks were as follows:

<i>In thousands of euros</i>	31/12/2021	31/12/2020
Net value in euros of net assets denominated in Mauritian rupees	19,371	18,402
Net value in euros of net assets denominated in Brazilian real	56,544	53,856
Net value in euros of net assets denominated in US dollar	(5,373)	-
Net value in euros of net assets denominated in Turkish lira	1,078	-
Total net assets denominated in foreign currencies	71,620	72,258

Net assets denominated in Mauritian rupees are subject to hedging of a net investment in a foreign operation as described in note 18 to the consolidated financial statements.

For the year ended 31 December 2021, the impact of the change in the rate of the Brazilian real and the Turkish lira against the euro would be as follows:

	Impact on net income		Impact on shareholders' equity	
	5% increase	5% decrease	5% increase	5% decrease
Brazilian real	0.6%	(0.5%)	0.6%	(0.5%)
Turkish lira	0.2%	(0.2%)	-	-

Counterparty risk

Given the high quality of the parties to the agreements, particularly the subsidiaries, the counterparty risk relating to trade receivables is immaterial. The statement of financial position included no material overdue trade receivables at 31 December 2021. Production by the facilities in Brazil relies on sugar cane supplied by the Group's sugar-producing partners. The Group does not have any specific dependence on its suppliers.

Regarding its investments and borrowings, the Group deals only with top-tier financial institutions.

Liquidity risk

The Group monitors its liquidity on a regular basis and has sufficient resources to enable it to meet any significant financial obligations.

The liquidity position can be broken down as follows:

<i>In thousands of euros</i>	31/12/2021	31/12/2020
Cash equivalents	14,695	36,753
Cash	93,164	89,039
Lines of credit not utilised	41,000	60,000
Liquidity position	148,860	185,792

Country, industrial and environmental risks

The risks relating to the location of assets, as well as the industrial and environmental risks, are presented in sections 1.6.1.1 and 1.6.1.2 respectively of the 2021 Universal Registration Document.

Legal risks and risks stemming from regulatory changes

The legal risks stemming from changes in the regulatory framework are presented in section 1.6.1.5 of the 2021 Universal Registration Document. The energy industry is highly regulated and largely driven by contractual arrangements. Regulatory changes (including tax regulations) rendering certain investments less attractive could adversely impact the Group's development. Furthermore, the Group has benefited from certain favourable tax measures in the French overseas departments that are subject to meeting various conditions relating to investment, employment, training and reporting and administrative formalities. As part of its day-to-day activities, the Group regularly reviews these risks, including social and tax risks.

34.2. Capital management

The Group's main objective is to ensure the maintenance of a good credit risk rating and healthy capital ratios in order to facilitate its activity and maximise shareholder value.

The Group manages its capital by using a ratio, equal to net debt excluding non-recourse project financing and pre-financing of new units divided by the amount of consolidated equity.

The Group's policy is to maintain this ratio below 1 and to maximise the return on the Company's shares, to maintain appropriate ratios for the statement of financial position and to ensure the capacity to finance its ambitious development programmes by adapting according to the availability of borrowings in any given period.

Equity includes the Group share of capital, as well as the unrealised gains and losses recorded under other comprehensive income in equity.

Under the Group's dividend policy, it aims to distribute 50% of the Group share of net income (excluding any gains on disposals, retroactivity and financing needs for new projects), with an option for the payment of 50% of the dividend in new shares.

Albioma appointed Rothschild Martin Maurel to implement a liquidity contract. This liquidity contract, which complies with the AMAFI (*Association des Marchés Financiers*) code of conduct approved by the Financial Markets Authority, is in line with the share buyback programmes approved by the

General Meetings of the shareholders on 29 May 2020 and 25 May 2021, a description of which has been published on the Company's website. The purpose of the contract is to stimulate the market for Albioma securities on Euronext Paris.

NOTE 35. OFF-BALANCE SHEET COMMITMENTS

35.1. Off-balance sheet commitments given

<i>In thousands of euros</i>	31/12/2021	31/12/2020
Guarantees given to suppliers	7,415	15,852
Fixed leases	-	-
Guarantees concerning ensuring the safety of the Classified Installations for Environmental Protection (ICPE)	81	83
Commitments given relating to operating activities	7,495	15,935
Guarantees on environmental risks	2,853	2,826
Sundry guarantees	696	1,433
Commitments given relating to financing activities	3,549	4,259
Liabilities guarantees	-	-
Commitments given relating to changes in the consolidation scope	-	-
Total off-balance sheet commitments given	11,044	20,194

Commitments given relating to operating activities

Guarantees given to suppliers

These guarantees generally constitute counter-guarantees for payment granted by the Group to equipment and fuel suppliers as a guarantee for payment in connection with supply agreements entered into by the subsidiaries.

Guarantees concerning ensuring the safety of the Classified Installations for Environmental Protection (ICPE)

For the Thermal Biomass sector, the Group has filed with the examining administrative bodies a case justifying the

financial guarantees to be provided for the safety of thermal installations classified for the protection of the environment (ICPE). At 31 December 2021, these guarantees amounted to €0.1 million.

Commitments given relating to financing activities

Assets pledged as collateral

Debts contracted by the Group in connection with project financing are guaranteed by collateral (industrial assets, mortgages, pledges of shares and receivables) to ensure their repayment.

Pledges of subsidiaries' shares

Company	Start date of pledge	Maturity date of pledge	Value of securities in the parent company's financial statements (in thousands of euros)	Amount of pledged assets (in thousands of euros)	% of assets pledged	% of capital held	Number of shares pledged	Total number of shares
OTEO La Baraque	09/11/2005	31/12/2022	4,868	4,868	100%	25%	1,902,500	7,610,000
OTEO Saint-Aubin	15/04/2004	31/12/2020	1,886	1,886	100%	25%	637,500	2,550,000
Albioma Solaire Guyane	18/12/2009	26/12/2026	40	40	100%	100%	4,000	4,000
Albioma Solaire Lasalle	22/04/2010	31/12/2025	32	32	100%	80%	3,200	4,000
Albioma Solaire Matoury	17/12/2010	30/11/2029	1,813	1,813	100%	100%	1,600,240	1,600,240
Albioma Solaire Pierrelatte	29/10/2009	30/06/2028	3,836	40	1%	100%	4,000	383,600
Albioma Saint-Pierre	18/07/2016	31/10/2040	7,670	40	1%	51%	2,040	767,040
Albioma Solaire Réunion	15/05/2018	30/06/2039	6,246	6,246	100%	100%	5,000	5,000
Albioma Solaire Mayotte	15/05/2018	30/06/2039	10	10	99%	100%	990	1,000
SNC Elect' 12	15/05/2018	30/06/2039	2,092	2,092	100%	100%	2,092,439	2,092,489
Albioma Power Alliance	15/05/2018	30/06/2039	120	120	100%	100%	1,000	1,000
Plexus Sol	15/05/2018	30/06/2039	37	37	100%	100%	3,700	3,700
Albioma Solaire Bethléem	15/05/2018	30/06/2039	3,600	3,600	100%	100%	3,600,000	3,600,000
Elecsol La Réunion 10	15/05/2018	30/06/2039	100	100	100%	100%	196	196
VoltaRéunion	15/05/2018	30/06/2039	43	43	100%	100%	43,094	43,094
Elecsol Les Avirons	15/05/2018	30/06/2031	1	1	100%	100%	100	100
Elecsol Cambaïe	15/05/2018	30/06/2031	1	1	100%	100%	100	100
Elecsol Saint-Pierre 1	15/05/2018	30/06/2031	1	1	100%	100%	100	100
Elecsol Sainte-Suzanne	15/05/2018	30/06/2031	1	1	100%	100%	100	100
Elecsol Les Tamarins	15/05/2018	30/06/2031	1	1	100%	100%	100	100
Albioma Energipole Solaire	15/03/2018	30/06/2038	632	632	100%	50%	4,212	8,424
Albioma Solar Assets France 1	30/06/2017	30/06/2037	14,181	14,181	100%	100%	683	683

Guarantee on environmental risks

This commitment relates to guarantees on environmental risks issued to the bank that financed the acquisitions of the Albioma Rio Pardo Termoeléctrica and Albioma Codora Energia power plants.

Sundry guarantees

The change compared with 2020 was due to the withdrawal of the guarantee issued in respect of photovoltaic projects and a bank guarantee on public contracts.

35.2. Off-balance sheet commitments received

<i>In thousands of euros</i>	31/12/2021	31/12/2020
Shareholders' counter-guarantees	-	-
Reserve account: end of 2014 sugar harvest compensation	-	-
Commitments received for electricity purchases	Not evaluated	Not evaluated
Commitments received relating to operating activities	-	-
Lines of credit granted but not utilised	41,000	60,000
Lines of credit granted for projects	170,700	50,946
Liabilities guarantees	6,954	6,954
Commitments received relating to financing activities	218,654	117,900
Liabilities guarantees	-	-
Commitments given relating to changes in the consolidation scope	-	-
Total off-balance sheet commitments received	218,654	117,900

Commitments received relating to operating activities

None.

Commitments received relating to financing activities

At 31 December 2021, the Group benefited from commitments received for the financing of projects and operations for an amount of €171 million, undrawn at this date (including €45 million for Albioma Solaire Réunion, €103 million for Albioma Bois-Rouge, €8 million for Albioma Services Réseaux and €15 million for Albioma Solaire France).

Commitments received relating to changes in the consolidation scope

None.

NOTE 36. RELATED PARTIES

The consolidated financial statements comprise the financial statements of Albioma and the subsidiaries mentioned in note 39 to the consolidated financial statements.

Transactions entered into with related parties correspond to transactions with equity-accounted companies. The table below shows the amount of these transactions for the years ended 31 December 2021 and 31 December 2020:

<i>In thousands of euros</i>	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
2021	1,272	7,419	5,288	956
2020	789	7,724	5,111	2,706

Terms and conditions of transactions with related parties:

- Sales to and purchases from related parties are made at market prices. Outstanding balances at year end are not guaranteed, do not bear interest and settlements are made in cash. No guarantees have been given or received in respect of the receivables due from and payables due to related parties;
- For the years ended 31 December 2021 and 31 December 2020, the Group has not raised any provisions for non-performing receivables relating to amounts due from related parties.

Remuneration of key Group executives

The remuneration for the Group's key executives and the directors' remuneration paid to the Company's Directors in respect of 2021 and 2020 are shown below:

<i>In thousands of euros</i>	2021	2020
Remuneration	3,014	2,998
Directors' fees	147	113
Conditional share-based payments	1,903	813
Total	5,064	3,923

Frédéric Moyne is entitled to severance pay if his term of office as Chief Executive Officer comes to an end in the event the Board of Directors decides to remove him from office or not to renew his appointment as Chief Executive Officer. The maximum gross amount of the severance payment is set at 15 months of the gross fixed annual remuneration received in respect of the last 12 months preceding the termination of office, plus the average of the gross variable remuneration received in respect of the last three financial years preceding the termination of office.

Details of the conditional allotments of performance shares to the members of the Executive Committee in respect of the 2019, 2020 and 2021 plans are provided in the following table:

<i>In number of shares</i>	Rights allotted (2019, 2020 and 2021 plans)
Frédéric Moyne	82,196
Other members of the Executive Committee	267,484
Total	349,680

NOTE 37. CO₂ EMISSION ALLOWANCES

The Group's power plants located in the overseas departments are included in operations subject to regulations regarding carbon dioxide (CO₂) emission allowances.

<i>In thousands of tonnes</i>	2021	2020
Opening allowances	15	8
Allowances allocated free of charge	84	129
CO ₂ emitted	(1,657)	(1,839)
CO ₂ allowances acquired	1,593	1,717
Closing allowances	35	15

The contracts between all of the Group's thermal power plants in the French overseas departments and EDF provide for the cost of purchasing quotas on the market to be passed on to EDF via monthly invoices, excluding any transaction fees and after transferring any free quotas allocated in respect of their cogeneration activity. In accordance with the ministerial order issued on 10 December 2021, the Bois-Rouge, Le Gol and Le Moule power plants received 84 thousand tonnes of free quotas in respect of 2021 in recognition of their cogeneration activity.

NOTE 38. RECONCILIATION OF STATEMENT OF CASH FLOWS AND NOTES TO THE FINANCIAL STATEMENTS

38.1. Reconciliation of changes in statement of financial position items and cash flows

<i>In thousands of euros</i>	Note	Cash flow statement item							
		Opening balance	Non-monetary changes ¹	Change in working capital	Tax paid	Investing flows	Other financing flows including the change in current accounts	Dividends paid	Closing balance
Trade receivables	20	67,462	3,810	24,537	-	-	-	-	95,810
Stocks	21	60,327	578	14,893	-	-	-	-	75,798
Other creditors	22	44,433	143	(398)	(4,832)	(2,664)	17	-	36,699
Total		172,222	4,531	39,033	(4,832)	(2,664)	17	-	208,307
Trade payables	29	66,453	(326)	17,843	-	-	-	-	83,970
Amounts due to suppliers of non-current assets	29	4,653	(2)	-	-	2,706	-	-	7,358
Tax and social security liabilities	30	42,911	75	5,888	(5,841)	-	-	-	43,032
Other liabilities	31	31,035	4,516	(13,131)	-	-	(3)	-	22,417
Total		145,053	4,263	10,599	(5,841)	2,706	(3)	-	156,777
Impact on cash flows				(28,433)	(1,009)	5,370	(20)	-	
Tax in Income statement				-	(27,647)	-	-	-	
Tax with no impact on cash				-	-	-	-	-	
Purchases of property, plant and equipment	29			13,396	-	(188,488)	-	-	
Increase in right-of-use assets (IFRS 16)				-	-	(89)	-	-	
Purchases of intangible assets				-	-	(248)	-	-	
Impact of changes in consolidation scope									
Dividends paid				-	-	-	-	(27,376)	
Change in treasury shares				-	-	-	-	-	
Total				(14,445)	(28,656)	(162,928)	(20)	(27,376)	
Statement of cash flows				(14,445)	(28,656)	(162,928)	(20)	(27,376)	

1. Non-monetary changes include reclassifications between accounts, and the effects of translation adjustments and changes in consolidation scope.

38.2. Breakdown of charges to depreciation, amortisation and provisions in the statement of cash flows

<i>In thousands of euros</i>	Note	
Impairment of goodwill	14	-
Amortisation and impairment of intangible assets	15	(7,323)
Depreciation and impairment of property, plant and equipment	16	(76,037)
Depreciation of right-of-use assets (IFRS 16)		(3,393)
Employee benefits (charges net of benefits paid)		(2,587)
Reversals of impairment losses	16	-
Charges to provisions	28	(1,700)
Reversals of provisions	28	4,733
Other impairment losses		(427)
Total charges net of reversals		(86,734)

NOTE 39. EVENTS AFTER THE REPORTING PERIOD

- On 14 February 2022, the Group completed the acquisition of the geothermal power plant Turcas Kuyucak Jeotermal Elektrik Üretim (renamed Albioma Kuyucak Jeotermal Elektrik Üretim), in Turkey, becoming its sole shareholder.
- The Group has taken note of the publication of the decision of the French Energy Regulation Board (CRE) on 24 February 2022 validating the rider to the power purchase agreement and ruling on the cost of the entire project to convert the Albioma Le Gol power plant on Reunion Island to biomass, as well as its extension of operation until 2044. This favourable opinion follows the publication of the ministerial decree of 17 January 2022 establishing the rate of return on capital invested in the conversion work, which was set according to the proposal made by the French Energy Regulation Board.
- As far as the Group is aware, the conflict in Ukraine and the related geopolitical tensions have to date had no impact on the Group's business.

NOTE 40. CONSOLIDATION SCOPE

Fully consolidated companies	Percentage interest at 31/12/2021	Percentage control at 31/12/2021	Percentage interest at 31/12/2020	Percentage control at 31/12/2020
Albioma (formerly Séchilienne-Sidec)	Parent	Parent	Parent	Parent
REUNION ISLAND				
Albioma Bois-Rouge	100%	100%	100%	100%
Albioma Le Gol	65%	65%	65%	65%
Albioma Power Alliance	100%	100%	100%	100%
Albioma Saint-Pierre	51%	51%	51%	51%
Albioma Solaire Bethléem	100%	100%	100%	100%
Albioma Solaire Développement	100%	100%	100%	100%
Albioma Solaire Réunion	100%	100%	100%	100%
Elecsol Cambaie	100%	100%	100%	100%
Elecsol La Réunion 1	100%	100%	100%	100%
Elecsol La Réunion 10	100%	100%	100%	100%
Elecsol La Réunion 13	100%	100%	100%	100%
Elecsol La Réunion 16	100%	100%	100%	100%
Elecsol La Réunion 18	100%	100%	100%	100%
Elecsol Les Avirons	100%	100%	100%	100%
Elecsol Les Tamarins	100%	100%	100%	100%
Elecsol Saint-André	100%	100%	100%	100%
Elecsol Sainte-Suzanne	100%	100%	100%	100%
Elecsol Saint-Pierre 1	100%	100%	100%	100%
SNC Elect' 12	100%	100%	100%	100%
Plexus Sol	100%	100%	100%	100%
VoltaRéunion	100%	100%	100%	100%
GUADELOUPE				
Albioma Le Moule	100%	100%	100%	100%
Marie-Galante Énergie (formerly Albioma Marie-Galante)	65%	65%	65%	65%
Albioma Services Réseaux (formerly Albioma Guadeloupe)	100%	100%	100%	100%
Albioma Solaire Caraïbes	100%	100%	100%	100%
FRENCH GUIANA				
Albioma Guyane Énergie	100%	100%	100%	100%
Albioma Solaire Guyane	100%	100%	100%	100%
Albioma Solaire Guyane 2017	100%	100%	100%	100%
Albioma Solaire Kourou	90%	90%	90%	90%
Albioma Solaire Matoury	100%	100%	100%	100%
Albioma Solaire Organabo	100%	100%	100%	100%
MARTINIQUE				
Albioma Galion	80%	80%	80%	80%
Albioma Solaire Antilles	80%	80%	80%	80%
Albioma Solaire Habitat	80%	80%	80%	80%
Albioma Solaire Lasalle	80%	80%	80%	80%
Albioma Solaire Galion (formerly Albioma Solaire du Bac)	51%	51%	51%	51%
MAYOTTE				
Albioma Solaire Mayotte	100%	100%	100%	100%

Sociétés intégrées globalement	Pourcentage d'intérêts au 31/12/2021	Pourcentage de contrôle au 31/12/2021	Pourcentage d'intérêts au 31/12/2020	Pourcentage de contrôle au 31/12/2020
SPAIN				
Sun Developers 3	100%	100%	100%	100%
Sun Developers 15	100%	100%	100%	100%
Sun Developers 16	100%	100%	100%	100%
Sun Developers 17	100%	100%	100%	100%
Sun Developers 18	100%	100%	100%	100%
Sun Orgiva 1 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 2 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 3 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 4 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 5 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 6 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 7 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 8 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 9 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 10 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 11 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 12 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 13 (subsidiary of Sun Developers 15)	100%	100%	100%	100%
Sun Orgiva 14 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 15 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 16 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 17 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 18 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 19 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 20 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 21 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 22 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
Sun Orgiva 23 (subsidiary of Sun Developers 16)	100%	100%	100%	100%
ITALY				
Quantum Energia Italia	100%	100%	100%	100%
Quantum 2008A (subsidiary of Quantum Energia Italia)	100%	100%	100%	100%
BRAZIL				
Albioma Codora Energia	65%	65%	65%	65%
Albioma Esplanada Energia	60%	60%	60%	60%
Albioma Participações do Brasil	100%	100%	100%	100%
Albioma Rio Pardo Termoeletrica	100%	100%	100%	100%
Albioma Solar Goiás	100%	100%	100%	100%
MAINLAND FRANCE				
Albioma Services Réseaux (formerly Albioma Guadeloupe)	100%	100%	100%	100%
Albioma Solaire Fabrègues	100%	100%	100%	100%
Albioma Solaire Pierrelatte	100%	100%	100%	100%
Albioma Solaire France	100%	100%	100%	100%
Albioma Solar Assets France 1	100%	100%	100%	100%
Albioma Solar Assets France 2	100%	100%	100%	100%
Albioma Solar Assets France 3	100%	100%	100%	100%
CANADA				
9455-8624 Québec (Biomasse du Lac Taureau)	100%	100%	-	-
TURKEY				
Gümüşköy Jeothermal Enerji Üretim	75%	75%	-	-

Entities representing a control percentage of less than 50% that are fully consolidated are either controlled indirectly by Albioma, or controlled by Albioma under an agreement or due to the governance structure in place.

Equity-accounted and jointly-owned companies	Percentage interest at 31/12/2021	Percentage control at 31/12/2021	Percentage interest at 31/12/2020	Percentage control at 31/12/2020
MAURITIUS				
Omnican Thermal Energy Operations La Baraque	25%	25%	25%	25%
Omnican Thermal Energy Operations Saint-Aubin	25%	25%	25%	25%
Terragen	27%	27%	27%	27%
Terragen Management	28%	28%	28%	28%
REUNION ISLAND				
Compagnie Industrielle des Cendres et Mâchefers	34%	34%	34%	34%
Saint-Benoît Énergies Vertes	20%	20%	20%	20%
MAINLAND FRANCE				
OTS	-	-	40%	40%
Volta Environnement	-	-	25%	25%
Corbières Photo	-	-	25%	25%
Albioma Énergipole Solaire (formerly Énergipole Quantum)	50%	50%	50%	50%
BRAZIL				
UTE Vale do Paraná Albioma	40%	40%	40%	40%
MARTINIQUE				
Biomasse de Martinique	33%	33%	33%	33%
Biomasse de Martinique	33%	33%	33%	33%

NOTE 41. INFORMATION ON EQUITY INVESTMENTS WITH SIGNIFICANT NON-GROUP SHAREHOLDERS

41.1. Breakdown of subsidiaries with significant non-controlling interests

	Country	Non-controlling interest percentages	
		2021	2020
Albioma Le Gol	Reunion Island	35%	35%
Albioma Codora Energia	Brazil	35%	35%

The significance is assessed on the basis of the contributions of the entities concerned to current operating income, non-current assets, net debt and total consolidated equity.

The figures in the table below are the full amounts for each item, before elimination of intra-group transactions.

<i>In thousands of euros</i>	31/12/2021	31/12/2020
INCOME STATEMENT		
Revenue	142,374	125,935
Net income	20,874	16,891
Net income, Group share	13,569	10,979
Net income, attributable to non-controlling interests	7,306	5,912
Total comprehensive income	18,266	14,283
Group share	11,874	9,284
Attributable to non-controlling interests	6,394	4,999
Dividends paid to non-controlling interests	(6,446)	(5,629)
STATEMENT OF FINANCIAL POSITION		
Non-current assets	265,673	272,997
Current assets	67,629	60,214
Total assets	333,302	333,211
Equity, Group share	82,062	79,809
Equity, attributable to non-controlling interests	62,952	61,068
Non-current liabilities	86,939	103,437
Current liabilities	101,648	89,195
Total equity and liabilities	333,600	333,509
STATEMENT OF CASH FLOWS		
Cash from operating activities	46,299	48,683
Cash used by investing activities	(11,281)	(13,345)
Cash used by financing activities	(36,372)	(34,231)

41.2. Restrictions on the control of assets, liabilities and cash

None.

NOTE 42. STATUTORY AUDITORS' FEES

42.1. 2021 financial year

<i>In thousands of euros</i>	Mazars				PricewaterhouseCoopers Audit			
	Amount (excl. VAT)		%		Amount (excl. VAT)		%	
	Statutory Auditor	Network	Statutory Auditor	Network	Statutory Auditor	Network	Statutory Auditor	Network
Statutory auditing								
Albioma	140.5	-	55%	-	213.9	-	54%	-
Fully-consolidated subsidiaries	77.9	-	30%	-	49.9	50.6	13%	100%
Sub-total, statutory auditing	218.4	-	85%	-	263.9	50.6	67%	100%
Services other than statutory auditing¹								
Albioma	35.9	-	14%	-	125.2	-	32%	-
Fully-consolidated subsidiaries	3.2	-	1%	-	4.8	-	1%	-
Sub-total, services other than statutory auditing	39.1	-	15%	-	130.0	-	33%	-
Total	257.5	-	100%	-	393.9	50.6	100%	100%

1. In 2021, services other than the statutory audit were limited to the issue of the report on employment, environmental and social information released in the Universal Registration Document (including the management report) and the issue of various statements and certificates and, on a more exceptional basis, the performance of acquisition due diligence and an internal control consulting assignment in connection with the cyber-attack described in note 1.3 to the consolidated financial statements.

42.2. Financial year 2020

In thousands of euros	Mazars				PricewaterhouseCoopers Audit			
	Amount (excl. VAT)		%		Amount (excl. VAT)		%	
	Statutory Auditor	Network	Statutory Auditor	Network	Statutory Auditor	Network	Statutory Auditor	Network
Statutory auditing								
Albioma	134.4	-	63%	-	208.9	-	70%	-
Fully-consolidated subsidiaries	75.2	-	35%	-	49.9	49.2	17%	100%
Sub-total, statutory auditing	209.6	-	98%	-	258.9	49.2	86%	100%
Services other than statutory auditing¹								
Albioma	2.0	-	1%	-	36.9	-	12%	-
Fully-consolidated subsidiaries	1.6	-	1%	-	4.8	-	2%	-
Sub-total, services other than statutory auditing	3.6	-	2%	-	41.7	-	14%	-
Total	213.2	-	100%	-	300.6	49.2	100%	100%

1. In 2020, services other than the statutory audit were limited to the issue of the report on employment, environmental and social information released in the Universal Registration Document (including the management report) and the issue of various statements and certificates.

NOTE 43. OTHER INFORMATION

Information on the workforce is provided in section 1.7.6.2 of the 2021 Universal Registration Document.

4.7. Statutory Auditors' Report on the consolidated financial statements

PricewaterhouseCoopers Audit

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Mazars

Tour Exaltis – 61 rue Henri Regnault
92400 Courbevoie
France

To the Albioma General Meeting,

OPINION

In compliance with the assignment entrusted to us by your General Meeting, we have audited the Albioma consolidated financial statements for the year ended 31 December 2021, as appended to this report.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2021 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The opinion given above is consistent with the content of our report to the Audit, Accounts and Risks Committee.

BASIS FOR OUR OPINION

Auditing standards

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are set out in the section of this report entitled «Statutory Auditors' responsibilities regarding the audit of the consolidated financial statements».

Independence

We conducted our audit, in accordance with the independence requirements of the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for Statutory Auditors, during the period from 1 January 2021 to the date of issue of our report. In particular, we did not provide any services prohibited by Article 5 (1) of Regulation (EU) no. 537/2014.

JUSTIFICATION OF OUR ASSESSMENTS - KEY AUDIT MATTERS

The Covid-19 global pandemic has created unusual conditions in terms of preparing and auditing the financial statements for this financial year. In fact, this pandemic and the extraordinary measures put in place in response to it have had a whole range of consequences for companies, particularly on their business and financing, along with increased uncertainty on their outlook. Some of these measures, such as travel restrictions and remote working, have also impacted the internal organisation of companies and how audits are organised.

It is in this complex and evolving context that, in accordance with the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we bring to your attention the key audit matters relating to risks of material

misstatement that, in our professional judgement, were of most significance for the audit of the consolidated financial statements for the year, as well as our responses to those risks.

These assessments were made in the context of our audit of the consolidated financial statements taken as a whole and of forming our opinion expressed above. We do not provide a separate opinion on specific items included in these consolidated financial statements.

Measurement of non-current assets (including goodwill) (Notes 2.7, 2.8, 2.10 and 14, 15 and 16 to the consolidated financial statements)

Description of the risk

At 31 December 2021, non-current assets consisted of the following:

- goodwill (€15.6 million) from acquisitions carried out;
- intangible assets (€90.4 million), including the fair value of agreements for the delivery of electricity transferred further to the acquisition of control over entities;
- property, plant and equipment (€1,384.3 million), mainly comprising installations for the production of electricity.

Albioma tests goodwill for impairment every year and regularly looks for indications of impairment of property, plant and equipment and intangible assets, performing an impairment test when necessary. The impairment indicators used by Albioma are described in Note 2.10.

When carrying out these impairment tests, Albioma estimates the recoverable amount of the asset and records a provision for impairment if the carrying amount of that asset exceeds its recoverable amount. The recoverable amount is typically determined based on the present value of future cash flows and requires significant judgement from Management, in particular as regards the preparation of business forecasts, as well as the discount rates and long-term growth rates used. Forecasts are based mainly on economic and operational assumptions, such as the availability of installations and changes in operating costs.

Accordingly, we deemed the measurement of goodwill, property, plant and equipment and intangible assets to be a key audit matter, due to their material value in the consolidated statement of financial position and the sensitivity of the impairment indicators and assumptions underlying the measurement of the recoverable amount to Management's judgements.

Audit procedures implemented to address this risk

We conducted a critical assessment of the methods used to analyse impairment indicators and to perform impairment tests, which involved:

- gaining an understanding of the process and controls put in place by Albioma with regards the impairment and corresponding impairment tests;

- examining the relevance of the impairment indicators identified by Albioma and the documentation of their analysis;
- examining the reasonableness of the assumptions used for impairment tests (earnings forecasts, growth rates, discount rates), by comparing them with past performances and by corroborating them with the applicable contractual terms and conditions and the economic and regulatory environment in which Albioma operates;
- critically assessing tests carried out by Management on the sensitivity of the recoverable amount to material changes in the assumptions used.

We also examined the appropriateness of the disclosures provided in Notes 2.10, 14, 15 and 16 to the consolidated financial statements, mainly concerning the sensitivity analysis of the recoverable amount of tested assets to changes in the main assumptions used.

SPECIFIC VERIFICATIONS

As required by professional standards applicable in France, we have also carried out the specific verifications provided for by legal and regulatory provisions with regard to the information pertaining to the Group presented in the management report of the Board of Directors.

We have no matters to report as to the fair presentation and consistency with the consolidated financial statements of these reports.

We certify that the consolidated statement of non-financial performance required by Article L. 225-102-1 of the French Commercial Code (Code de commerce) is included in the Group's management report, it being specified that, in accordance with the provisions of Article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information must be reported on by an independent third-party organisation.

OTHER CHECKS OR DISCLOSURES REQUIRED BY LAW AND REGULATION

Format of the presentation of the consolidated financial statements intended to be included in the annual financial report

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the consolidated financial statements to be included in the annual financial report referred to in paragraph I of Article L. 451-1-2 of the French Monetary and Financial Code (Code monétaire et financier) and prepared under the responsibility of the Chairman and Chief Executive Officer, complies with this format, as defined by European Delegated Regulation no. 2019/815 of 17 December 2018. As it related to consolidated financial statements, our work included verifying that the tagging in the consolidated financial statements complies with the format defined by the aforementioned Regulation.

On the basis of our work, we conclude that the presentation of the consolidated financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

It is not our responsibility to ensure that the consolidated financial statements to be included by your Company in the annual financial report filed with the French Financial Markets Authority (Autorité des Marchés Financiers - AMF) correspond to those on which we carried out our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Albioma by the General Meeting of 18 May 2010 in the case of PricewaterhouseCoopers Audit and 27 May 2004 in the case of Mazars.

At 31 December 2021, PricewaterhouseCoopers Audit was in the 12th consecutive year of its term of office and Mazars was in its 18th year.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH CORPORATE GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit, Accounts and Risks Committee is responsible for monitoring the financial reporting process and the effectiveness of the internal control and risk management systems and, where relevant, the internal audit system, as these apply to the procedures for preparing and processing the accounting and financial information.

These consolidated financial statements have been approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Audit objectives and approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will systematically identify all material misstatements. Misstatements may result from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions that users of the financial statements make based on them.

As specified by Article L. 823-10-1 of the French Commercial Code, our responsibility is to certify the financial statements, and not to guarantee the viability or the quality of your Company's management.

As part of an audit carried out in accordance with French professional standards, the Statutory Auditors exercise professional judgement throughout the audit.

In addition, they:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether resulting from fraud or error, define and implement audit procedures to deal with those risks, and obtain audit evidence they deem sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation, or the circumvention of internal controls;
- obtain an understanding of the internal control system relevant to the audit so as to define audit procedures that are appropriate in the circumstances, and not for the purposes of expressing an opinion on the effectiveness of the internal control system;
- assess the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by Management, as well as information about them disclosed in the consolidated financial statements;
- assess the appropriateness of Management's application of the going concern accounting convention and, depending on the audit evidence obtained, whether a material uncertainty exists related to events or circumstances likely to jeopardize the company's ability to continue as a going concern. This assessment is based on the evidence obtained up to the date of the auditors' report. It should, however, be noted that subsequent circumstances or events could cause the company to cease to continue as a going concern. If they conclude that a material uncertainty exists, they will draw readers' attention to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, they will either issue a qualified opinion on the financial statements or refuse to certify them;
- evaluate the overall presentation of the consolidated financial statements and assess whether the consolidated financial statements represent the underlying transactions and events in such a manner as to achieve fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the persons or entities within the consolidation scope to express an opinion on the consolidated financial statements. The statutory auditors are responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit, Accounts and Risks Committee

We submit a report to the Audit, Accounts and Risks Committee which provides information about the scope of our audit and the work programme implemented, as well as our audit findings. We also bring to its attention, where relevant, material weaknesses in the internal control system that we identified in respect of the procedures for preparing and processing accounting and financial information.

The information provided in our report to the Audit, Accounts and Risks Committee includes the risks of material misstatement that we consider to have been the most important to the audit of the consolidated financial statements for the year under review and which therefore constitute the key audit matters, which we are required to describe in this report.

We also provide the Audit, Accounts and Risks Committee with the statement stipulated by Article 6 of Regulation (EU) 537-2014 confirming our independence, within the meaning of the rules applicable in France as specified, in particular, in Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the statutory auditors' professional code of ethics. Where relevant, we discuss with the Audit, Accounts and Risks Committee any risks to our independence and the safeguards applied.

Neuilly-sur-Seine and Courbevoie, 28 April 2022.

The Statutory Auditors,

PricewaterhouseCoopers Audit

Jérôme Mouazan
Associé

Mazars

Daniel Escudeiro
Associé

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5.1. Income statement

<i>In thousands of euros</i>	France	Export	31/12/2021	31/12/2020
Sales of goods purchased for resale	-	-	-	-
Production sold – goods	-	-	-	-
Production sold – services	37,870	-	37,870	36,200
Net revenue	37,870	-	37,870	36,200
Production transferred to stocks				
Depreciation and provisions written back, charges transferred			2,507	1,183
Other income			43	8
Operating income			40,419	37,391
EXTERNAL CHARGES				
Purchases of goods for resale including excise duties			1,129	427
Purchases of raw materials and other consumables			4,270	2,960
Changes in stocks			-	-
Other purchases and external charges			15,078	15,613
Total external charges			20,477	18,999
TAXES, DUTIES AND SIMILAR PAYMENTS				
			876	753
STAFF COSTS				
Wages and salaries			13,842	13,312
Social security charges			7,278	7,595
Total staff costs			21,119	20,907
OPERATING PROVISIONS				
Depreciation and amortisation of non-current assets			416	648
Provisions on current assets			-	-
Provisions for liabilities and charges			4,394	1,917
Total operating provisions			4,810	2,565
Other operating expenses			-	-
Operating charges			47,283	43,224
Operating income			(6,864)	(5,833)

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<i>In thousands of euros</i>	31/12/2021	31/12/2020
Operating income	(6,864)	(5,833)
FINANCIAL INCOME		
Income from participating interests	43,604	42,410
Income from other marketable securities and receivables from non-current assets	587	243
Provisions written back and charges transferred	5,864	-
Net income on disposals of marketable securities	84	55
Total financial income	50,140	42,707
FINANCIAL EXPENSES		
Impairment of financial assets	2,588	12,635
Interest payable and similar expenses	3,507	3,589
Net expenses on disposals of marketable securities	83	14
Total financial expenses	6,178	16,238
Net financial income	43,962	26,469
Pre-tax profit on ordinary activities	37,098	20,636
NON-RECURRING INCOME		
On revenue transactions	-	-
On capital transactions	1,881	33
Provisions written back and charges transferred	2,300	1,717
Total non-recurring income	4,181	1,750
NON-RECURRING EXPENSES		
On revenue transactions	5	124
On capital transactions	7,069	-
Depreciation, amortisation and impairment	-	-
Total non-recurring expenses	7,074	124
Net non-recurring income/(expense)	(2,893)	1,627
Employee profit-sharing	285	265
Corporation tax	(3,867)	(1,394)
Total income	94,740	81,848
Total expenses	56,953	58,457
NET INCOME	37,787	23,392

5.2. Statement of financial position

ASSETS

<i>In thousands of euros</i>	Gross	Depreciation and amortisation	Net	
			31/12/2021	31/12/2020
INTANGIBLE ASSETS				
Concessions, patents and similar rights	924	894	30	91
Other intangible assets	73	73	-	-
Total intangible assets	997	967	30	91
PROPERTY, PLANT AND EQUIPMENT				
Land	-	-	-	-
Buildings	-	-	-	-
Technical installations, equipment and industrial tooling	547	547	-	-
Other property, plant and equipment	3,051	2,826	224	394
Property, plant and equipment in progress	976	424	552	252
Total property, plant and equipment	4,573	3,797	776	646
LONG-TERM INVESTMENTS				
Other participating interests	311,334	20,435	290,898	263,252
Loans	226	-	226	226
Other long-term investments	1,311	-	1,311	822
Total long-term investments	312,870	20,435	292,435	264,300
Non-current assets	318,440	25,199	293,241	265,038
STOCKS AND WORK-IN-PROGRESS				
Work-in-progress - goods	-	-	-	-
Goods purchased for resale	-	-	-	-
Total stocks and work-in-progress	-	-	-	-
RECEIVABLES				
Advances and payments on account of orders	714	-	714	698
Trade receivables	16,592	-	16,592	30,379
Other receivables	84,411	5,941	78,470	66,580
Total receivables	101,716	5,941	95,776	97,658
CASH, CASH EQUIVALENTS AND OTHER				
Marketable securities	9,927	-	9,927	31,986
Cash and cash equivalents	75,693	-	75,693	73,857
Prepayments	294	-	294	292
Total cash, cash equivalents and other	85,915	-	85,915	106,135
Current assets	187,631	5,941	181,691	203,793
Borrowing costs to be deferred	782	-	782	861
Total	506,853	31,140	475,713	469,691

EQUITY AND LIABILITIES

<i>In thousands of euros</i>	Net	
	31/12/2021	31/12/2020
EQUITY		
Share capital	1,234	1,218
Additional paid-in capital	76,557	64,807
Revaluation differences	3	3
Legal reserve	122	121
Statutory and contractual reserves	922	922
Regulated reserves	1	1
Other reserves	15,905	15,905
Retained earnings	113,867	115,828
Net income for the year	37,787	23,392
Total equity	246,397	222,196
Regulated provisions	-	-
Shareholders' equity	246,397	222,196
Provisions for liabilities	1,250	3,549
Provisions for charges	7,625	5,637
Provisions for liabilities and charges	8,875	9,186
FINANCIAL LIABILITIES		
Borrowings from financial institutions	143,229	112,755
Other borrowings (including current accounts with shareholders)	61,834	96,949
Total financial liabilities	205,064	209,704
OTHER LIABILITIES		
Trade payables	2,364	6,936
Tax and social security liabilities	10,844	11,191
Liabilities on non-current assets	216	43
Other liabilities	1,857	9,679
Total other liabilities	15,282	27,849
DEFERRED INCOME		
	95	756
Liabilities	220,441	238,309
Total	475,713	469,691

5.3. Notes to the annual financial statements

NOTE 1. SIGNIFICANT EVENTS

The highlights of the period are as follows:

- Capital increase reserved for members of a Group savings plan;
- Acquisition, on 26 January 2021, of the Gümüşköy geothermal power plant in Turkey;
- Acquisition, on 27 December 2021, of the La Granaudière wood pellet production plant located in the Canadian province of Quebec.

NOTE 2. ACCOUNTING POLICIES AND METHODS

The financial statements are presented in accordance with French accounting principles, particularly on the basis of Regulation 2016-07 of 4 November 2016 issued by the French Accounting Standards Authority (*Autorité des Normes Comptables*), and the provisions of the French Commercial Code (*Code de Commerce*).

The annual financial statements were prepared in accordance with the following underlying assumptions:

- principle of prudence;
- going concern;
- consistency of accounting methods between financial years;
- accruals basis of accounting.

The policies applied are as follows.

2.1. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are initially recognised at their acquisition cost. They comprise fixtures and fittings, vehicles, furniture and equipment, and IT hardware and software. The straight-line method of depreciation / amortisation is used.

Non-current assets	Depreciation / amortisation period
Software	2 years
IT hardware	3 years
Other property, plant and equipment	5 years

Where applicable, an impairment provision is recognised if the value in use of intangible assets and property, plant and equipment is lower than their cost.

2.2. Long-term investments

Equity investments and other long-term investments are initially recognised at their acquisition cost.

A review of internal indicators of impairment of participating interests is performed annually on a line-by-line basis. If there is evidence of impairment, the measurements are updated and the current value of the relevant participating interest is compared with its net carrying amount. The current value is an estimate based on the market and the asset's utility for the company.

Valuation methods depend on the characteristics of participating interests, their profitability and their future prospects. The current value is initially determined on the basis of the Group's share in the recorded net assets of the investee. If said share is lower than the carrying amount of the participating interest, the current value is estimated on the basis of future cash flows.

The data used to perform the tests using the discounted cash flow method are taken from:

- business plans established at the outset of the project and covering the term of the electricity sale agreements, the underlying assumptions being updated on the test date; or
- Group business plans established annually and covering the term of the agreements (from 15 to 40 years).

These tests are based on the following key assumptions:

- electricity selling prices, which are set contractually;
- for the photovoltaic installations, equivalent full-power hours (EFPH).

If the current value is less than the carrying amount of the participating interests, receivables from participating interests and current accounts, an impairment provision is recognised to reduce the value of said assets to their current value.

In the event the investee has negative equity, a provision for liabilities is recognised. If the current value falls below the net carrying amount, an impairment loss is recognised to bring the participating interests back down to their current value.

Consideration of climate risks

In preparing its financial statements for the year ended 31 December 2021, the Company has included the effect of climate risks and the impact of climate-related commitments in its estimates. These estimates relate in particular to asset impairment testing.

For the year ended 31 December 2021, the consideration of these elements did not have a material impact on the Company's financial statements. The energy transition is fully incorporated into the Group's operational and strategic model: energy generation from sugar-cane bagasse, the development of solar energy, investment in geothermal energy and the conversion of Albioma's existing bagasse/coal-fired power plants in Overseas France to 100% biomass operation.

From a financing perspective, Albioma underlined its commitment by issuing, in December 2020, its first Sustainability-Linked Euro PP, amounting to €100 million, part of whose financial details is linked to the share of green energies in the Group's mix: more than 80% renewable energies in 2023, more than 90% in 2025 and nearly 100% in 2030. The Group is on track to meet these targets.

2.3. Receivables

Receivables are measured at their par value: in the event of problems in collecting receivables, impairment provisions are made against the receivables concerned.

2.4. Current accounts and other receivables

Current accounts and other receivables are measured at their face value: in the event of problems in collecting receivables, impairment provisions are made against current accounts and receivables.

2.5. Marketable securities

Marketable securities are measured using the weighted average unit cost method. An impairment provision is recognised when the stock market value of these securities, or in the absence of such a valuation their likely trading amount, is lower than their acquisition cost.

2.6. Provisions for liabilities and charges

Provisions are recognised when:

- the Company has a present obligation as a result of a past event;
- it is probable that an outflow of resources representing economic benefits will be needed to settle the obligation;
- the amount of the obligation can be estimated reliably.

2.7. Pensions and other retirement obligations

The expenses corresponding to the Company's obligations in respect of pensions and other retirement benefits have been provisioned.

Furthermore, two supplementary pension plans were put in place in 2004: a defined contribution plan covering 118 employees at 31 December 2021, supplemented by a defined benefit plan for those individuals employed by the Company prior to 1 January 1983.

Expenses relating to defined contribution plans are expensed in the year in which they are incurred.

Expenses relating to the lump-sum retirement payment plan and supplementary defined benefit plan are set aside using the projected unit credit method, treating length of service on a pro rata basis.

The actuarial calculations mainly take into account assumptions concerning wage increases, staff turnover rates, retirement dates and projected changes in remuneration and life expectancy, together with an appropriate discount rate.

2.8. Tax consolidation

On 31 March 2005 and 22 April 2009 respectively, Albioma and its subsidiaries Albioma Bois-Rouge and Albioma Le Moule entered into a tax consolidation agreement, renewable by tacit consent, that stipulates that "application of the rules of said agreement shall not result in, for each company consolidated, a tax charge that is higher than that which it would have borne in the absence of the tax consolidation". In the absence of renewal of the agreement or in the event that the subsidiary leaves the consolidated group prior to expiry of the agreement for any reason whatsoever, the company leaving the tax consolidation group will be compensated by the head of the tax group for all additional tax costs stemming from its membership of the group.

As a result, and in accordance with opinion 2005-G of 12 October 2005 of the French National Accounting Council (*Conseil National de la Comptabilité*), a provision must be raised when the restitution of the cash saving (direct payment or recognition in a current account) is probable. Furthermore, savings relating to the parent company's loss are recognised immediately in profit or loss.

Additional changes in Albioma's tax consolidation scope were the following:

Company	Consolidation date	Deconsolidation date
Albioma Bois-Rouge	31/03/2005	31/12/2019
Albioma Solaire Pierrelatte	01/01/2011	31/12/2013
Albioma Solaire Fabrègues	01/01/2011	n/a
Éoliennes de la Porte de France	01/01/2011	31/12/2012
Albioma Solaire Guyane	01/01/2014	n/a
Albioma Solaire Réunion	01/01/2018	n/a
Albioma Solaire France	01/01/2019	n/a
Albioma Solar Assets France 1	01/01/2019	n/a

NOTE 3. STATEMENT OF FINANCIAL POSITION - ASSETS

3.1. Non-current assets

Intangible assets

<i>In thousands of euros</i>	31/12/2020	Increases	Decreases	Transfers	31/12/2021
Concessions and similar rights, patents, licences, brands, processes, software, rights	879	44	-	-	924
Other intangible assets	73	-	-	-	73
Gross amount	953	44	-	-	997
Concessions and similar rights, patents, licences, brands, processes, software, rights	788	105	-	-	894
Other intangible assets	73	-	-	-	73
Amortisation and impairment	862	105	-	-	967
Concessions and similar rights, patents, licences, brands, processes, software, rights	91	-	-	-	30
Other intangible assets	-	-	-	-	-
Net amount	91				30

Property, plant and equipment

<i>In thousands of euros</i>	31/12/2020	Increases	Decreases	Transfers	31/12/2021
Technical installations, equipment and industrial tooling	547	-	-	-	547
General installations, fixtures and fittings	653	1	-	-	654
Vehicles	530	-	-	-	530
Office equipment and IT hardware, furniture	1,805	61	-	-	1,866
Property, plant and equipment in progress	676	300	-	-	976
Gross amount	4,211	362	-	-	4,573
Technical installations, equipment and industrial tooling	547	-	-	-	547
General installations, fixtures and fittings	615	11	-	-	626
Vehicles	384	103	-	-	488
Office equipment and IT hardware, furniture	1,595	118	-	-	1,713
Property, plant and equipment in progress	-	-	-	-	-
Impairment of property, plant and equipment	424	-	-	-	424
Depreciation and impairment	3,565	232	-	-	3,797
Technical installations, equipment and industrial tooling	-	-	-	-	-
General installations, fixtures and fittings	38	-	-	-	29
Vehicles	146	-	-	-	43
Office equipment and IT hardware, furniture	210	-	-	-	153
Property, plant and equipment in progress	252	-	-	-	552
Net amount	646				776

Long-term investments

Equity investments

<i>In thousands of euros</i>	31/12/2020	Increases	Decreases	31/12/2021
Non-group participating interests	19	-	-	19
Group participating interests	287,727	23,587	-	311,315
Gross amount	287,746	23,587	-	311,334
Non-group participating interests	-	-	-	-
Group participating interests	24,494	1,806	5,864	20,435
Impairment	24,494	1,806	5,864	20,435
Non-group participating interests	19	-	-	19
Group participating interests	263,233	-	-	290,879
Net amount	263,252			290,898

The increase in participating interests was due to the acquisition of shares in Gümüşköy et La Granaudière.

Most (€17,993 thousand) of the impairment loss on participating interests at 31 December 2021 related to the investments in Brazil. The €5,864 thousand reversal of the impairment loss recognised in 2021 for the Brazil investments was due to fluctuations in the value of the Real over 2021.

Other long-term investments

<i>In, thousands, of euros</i>	31/12/2020	Increases	Decreases	31/12/2021
Long-term loans	226	-	-	226
Deposits & guarantees paid	822	500	12	1,311
Gross amount	1,048	500	12	1,536
Long-term loans	-	-	-	-
Deposits & guarantees paid	-	-	-	-
Impairment	-	-	-	-
Long-term loans	226	-	-	226
Deposits & guarantees paid	822	-	-	1,311
Net amount	1,048			1,536

3.2. Current assets

Trade receivables

<i>In thousands of euros</i>	31/12/2021	31/12/2020	Change
Trade receivables	14,067	23,011	(8,944)
Group	13,331	22,444	(9,114)
Non-Group	736	566	170
Invoices to be raised	2,525	7,368	(4,844)
Group	2,525	7,314	(4,789)
Non-Group	-	54	(54)
Trade receivables	16,592	30,379	(13,788)

Other receivables

<i>In thousands of euros</i>	31/12/2021	31/12/2020	Change
Employees - Advances and payments on account	98	71	27
Credit notes due from suppliers	26	-	26
VAT accounts receivable	377	337	40
VAT deductible on non-current assets	3	5	(2)
Accounts receivable from the State	1,474	7,620	(6,146)
Income accounts receivable	2,500	4,624	(2,124)
Current accounts	78,750	54,988	23,763
Tax consolidation current accounts	1,050	3,930	(2,880)
Receivables due from employee welfare bodies	132	161	(29)
Sundry accounts receivable	1	4	(3)
Impairment of current accounts	(5,841)	(5,059)	(781)
Impairment of receivables	(100)	(100)	-
Total	78,470	66,580	11,890

The change in the current account balances was related to the support given by Albioma to its subsidiaries which own the construction projects.

Accounts receivable from the State in 2020 related to the corporation tax pending repayment.

Accrued income relates to outstanding dividends.

Marketable securities

At 31 December 2021, the marketable securities item stood at €9,927 thousand.

It corresponded to treasury shares.

Prepayments and accrued income

Prepayments, of €294 thousand, related primarily to insurance and subscriptions.

Borrowing costs stood at €782 thousand at 31 December 2021. These costs are recognised to profit or loss over the terms of the loans to which they relate.

NOTE 4. LIABILITIES AND EQUITY

4.1. Equity

<i>In thousand\$ of euros</i>	31/12/2020	Increases	Decreases	Appropriation of 2020 net income (in euros)	31/12/2021
Share capital	1,218	8		8,191	1,234
Additional paid-in capital	64,807	4,824		6,925,364	76,557
Revaluation differences	3				3
Legal reserve	121			1,237	122
Statutory reserves - Contractual	922				922
Regulated reserves	1				1
Other reserves	15,905				15,905
Other reserves	115,828			(1,961,276)	113,867
Net income for the year	23,392	37,787		(23,391,512)	37,787
Dividends paid in cash				18,417,996	
Total equity	222,196	42,619	-	-	246,397
Regulated provisions	-				-
Total shareholders' equity	222,196	42,619	-		246,397

Share capital

At 31 December 2021, the share capital consisted of 32,052,047 shares with a par value of €0.0385 per share, fully paid-up with 6.97% owned by Brown Capital Management, acting on behalf of various funds it manages, 6.11% by COFEPP, 6.06% by Impala, 5.07% by Bpifrance Investissement, acting on behalf of the ETI 2020 fund it manages, and the balance by various shareholders on the market.

At this same date, the Company held 401,759 of its own shares (representing 1.25% of the share capital and stripped of voting rights), all of which were purchased on the market (of which 349,326 had been allocated to provide shares for bonus performance share plans in operation and 52,433 had been allocated to provide shares for the redeemable share subscription and/or purchase warrant plan in operation).

Capital increase reserved for Group savings plan subscribers

During the 2021 financial year, the Company implemented a capital increase reserved for Group savings plan subscribers and international Group savings plan subscribers. Known as Albioma Invest 2021, this enabled employees and certain former employees of the Group's eligible companies in France and Brazil to invest in Albioma shares via the Albioma corporate mutual fund (FCPE).

The subscription offer included the option of accessing a so-called "Classic" plan, with subscriptions being made through the Albioma Relais 2021 FCPE (the intention being

that, following subscription to the capital increase, this would be merged with the Albioma FCPE's "Albioma Classic" compartment), and a "Multiple" plan, with subscriptions being made through the Albioma FCPE's Albioma Multiple 2021 compartment (the intention being that, following subscription to the capital increase, this would retain the subscribed shares until the expiry of the offer). Under this second plan, the subscriber is guaranteed that the higher value of either (i) a guaranteed return on his or her personal contribution or (ii) a multiple of the protected average rise in the Albioma share price will be added to the amount of his or her personal contribution.

The shares issued under the two plans were offered for subscription at a unit price of €24.48, corresponding to the average opening price of Albioma shares for the twenty trading days preceding 23 June 2021 (i.e. the trading days from 26 May 2021 to 22 June 2021), less a 30% discount, with subscribers to the "Multiple" plan waiving the benefit of said discount.

The offer's subscription/revocation period ended on 27 June 2021. More than 48% of employees and eligible former employees subscribed. The capital increase, which was over-subscribed, resulted in the issuance of 197,386 new shares representing 0.62% of the share capital at 31 December 2021, i.e. issue proceeds of €4,832,009.28. The shares created, which carried immediate dividend rights, were admitted to trading on Euronext Paris.

Appropriation of 2020 net income

In accordance with the decisions of the 25 May 2021 General Meeting, the net income for 2020 was appropriated as follows:

<i>In thousands of euros</i>	
Transfer to the legal reserve	1
Dividends paid	24,971
Retained earnings	(1,580)

The General Meeting set the amount of the 2020 dividend at €0.80 per share and resolved to grant each shareholder an option for the payment of 50% of the dividend, i.e. €0.40 per share, in new shares, the remainder having been paid in cash. €18,418 thousand was settled in cash and €6,934 thousand in shares; 212,751 new shares were issued at a unit price of €32.59.

Net income for the year

<i>In thousands of euros</i>	
Operating income	(6,864)
Net financial income	43,962
Net non-recurring income/(expense)	(2,893)
Profit-sharing	(285)
Tax	3,867
Total	37,787

4.2. Provisions for liabilities and charges

<i>In thousands of euros</i>	31/12/2020	Charge	Reversals - Used	Reversals - Unused	31/12/2021
Provisions for liabilities	3,549	1	2,300	-	1,250
Provisions for liabilities	3,549	1	2,300	-	1,250
Provisions for lump-sum retirement benefits	1,981	131	-	-	2,112
Other provisions for charges	3,656	4,263	2,407	-	5,513
Provisions for charges	5,637	4,394	2,407	-	7,625
Of which operating	5,637	4,394	2,407	-	7,625
Of which financial	3,549	1	2,300	-	1,250
Of which non-recurring	-	-	-	-	-
Total	9,186	4,395	4,707	-	8,875

Provisions for liabilities

Provisions for liabilities, which essentially cover the risks relating to disputes, litigation or participating interests, decreased from €3,549 thousand at 31 December 2020 to €1,250 thousand at 31 December 2021.

Provisions for charges

Lump-sum retirement payments

At 31 December 2021, lump-sum retirement benefits represented an amount of €2,112 thousand.

These charges relate to 118 individuals and are based on the collective agreement applied to Company employees. The main assumptions used are as follows:

- Life expectancy table: INSEE table;
- staff turn-over: low;
- increase in wages and salaries of 2.5% per annum;
- discount rate of 0.75%.

Other provisions for charges

This item represents, in particular, the provision recorded following Albioma's buyback of 349,326 of its own shares (purchases made in the 2015, 2016 and 2018 financial years) to partly cover the servicing of the bonus performance share plans adopted by the General Meeting of 27 May 2019, the General Meeting of 29 May 2020 and the General Meeting of 25 May 2021.

4.3. Liabilities

Borrowings from financial institutions

The €80 million Euro PP bond issue maturing in December 2020 (bullet redemption), with an annual coupon of 3.85%, was fully redeemed in 2020.

It was succeeded on 7 December 2020 by a Sustainability-Linked Euro PP for €100 million. This private placement comprises two tranches at 7 and 8 years respectively, subscribed by leading institutional investors.

A €7 million revolving credit facility was arranged and drawn down in 2021 from Bpifrance Financement, at the Euribor rate (floor at zero) plus an aggregate spread of 0.77% maturing on 31 August 2024, in order to renew a similar €5 million facility arranged in 2019.

In August 2021, Bpifrance Financement granted the Company two unsecured €5 million loans maturing on 31 August 2028, one at a fixed rate of 0.86% and the other at the Euribor rate (floor at zero) plus an aggregate spread of 0.55%.

At 31 December 2021, borrowing costs to be deferred totalled €782 thousand.

Collateral

None.

Compliance with ratios within Albioma

- Interest cover ratio (*cash EBIT/interest*) > 2.50
- Gearing ratio (*net debt/equity*) < 1.500

These covenants were met at 31 December 2021.

Drawdowns

The following table provides a breakdown of the amounts drawn down at 31 December 2021:

<i>In thousands of euros</i>	
Euro PP	100,000
Bpifrance Financement	23,500
Revolving credit facility	19,000

Interest-rate hedging

Not applicable (main corporate debt is at a fixed rate).

Other borrowings

This item consists mainly of current accounts with shareholders.

Trade payables

Trade payables amounted to €2,364 thousand at 31 December 2021, including €1,381 thousand from invoices not yet received. All of these liabilities are due within one year.

Tax and social security liabilities

Tax and social security liabilities break down as follows:

<i>In thousands of euros</i>	31/12/2021	31/12/2020	Change
Tax liabilities	1,063	1,099	-36
Social security/employee-related liabilities	5,402	5,264	138
Social security/employee welfare body liabilities	4,379	4,828	-449
Total	10,844	11,191	-347

Liabilities on non-current assets

At 31 December 2021, amounts due to suppliers of non-current assets totalled €216 thousand, including €13 thousand from invoices not yet received. All of these liabilities are due within one year.

Other liabilities

<i>In thousands of euros</i>	31/12/2021	31/12/2020	Change
Other creditors	-	1	(1)
Tax consolidation current accounts	1,202	8,861	(7,659)
Accrued expenses	656	817	(161)
Total	1,857	9,679	(7,822)

Deferred income

Deferred income, amounting to €95 thousand, related to billing for services performed after 31 December 2021 or accrued income relating to future periods.

NOTE 5. INCOME STATEMENT

5.1. Revenue

Revenue amounted to €37,870 thousand at 31 December 2021 and comprised:

<i>In thousands of euros</i>	31/12/2021	31/12/2020	Variation
Sales of goods purchased for resale	-	-	-
Production sold – goods	-	-	-
Production sold – services	37 870	36 200	1 670
Revenue	37 870	36 200	1 670

5.2. Net financial income (expense)

Net financial income breaks down as follows:

<i>In thousands of euros</i>	31/12/2021	31/12/2020	Variation
Interest and financial charges	3,507	3,589	(82)
Net expenses on disposals of marketable securities	83	14	69
Provisions for financial liabilities and charges	1,807	12,233	(10,426)
Impairment of financial assets	781	402	379
Financial expenses	6,178	16,238	(10,060)
Income from participating interests	43,604	42,410	1,194
Other financial income	587	243	345
Provisions written back and charges transferred	5,864	-	5,864
Net income on disposals of marketable securities	84	55	29
Financial income	50,140	42,707	7,432
Net financial income	43,962	26,469	17,492

5.3. Net non-recurring income/(expense)

<i>In thousands of euros</i>	31/12/2021	31/12/2020	Change
Penalties and tax fines	5	124	(119)
Other non-recurring expenses	7,069	-	7,069
Non-recurring expenses	7,074	124	6,950
Proceeds from the sale of transferred assets – Financial	-	1	(1)
Proceeds from the sale of transferred assets – Financial	(206)	-	(206)
Other non-recurring income	2,087	32	2,055
Reversals of provisions for non-recurring liabilities and charges	2,300	1,717	583
Non-recurring income	4,181	1,750	2,431
Net non-recurring income/(expense)	(2,893)	1,627	(4,519)

The components of non-recurring income/(expense) were:

- movements relating to the vesting of shares under the 2018 bonus performance share plan (see additional information in note 8);
- movements relating to the exercise of redeemable share subscription and/or purchase warrants (see additional information in note 9);
- the reversal of a provision made in connection with a liabilities guarantee that has expired.

5.4. Tax

The scope of tax consolidation at 31 December 2021 included Albioma and its subsidiary Albioma Le Moule, in accordance with the tax consolidation agreement signed on 22 April 2009, Albioma Solaire Fabrègues (which was added to the scope on 1 January 2011), Albioma Solaire Guyane (which was added to the scope on 1 January 2014), Albioma Solaire Réunion (which was added to the scope on 1 January 2018) and Albioma Solaire France and Albioma Solar Assets France 1 (which were added to the scope on 1 January 2019).

At 31 December 2021, for the Company, the head of the tax group, these agreements resulted in a tax credit of €3,964

thousand, corresponding to the tax saving stemming from the tax consolidation.

Albioma also recognised in expenses €5,115 thousand in respect of tax, corresponding to the Group's taxable profit.

The tax rate was 26.5%, plus the additional contribution of 3.3% on the tax in excess of €763,000.

NOTE 6. HEADCOUNT

At 31 December 2021, Albioma employed a total of 122 staff (including one corporate officer) compared with 118 (including one corporate officer) at 31 December 2020.

NOTE 7. REMUNERATION OF THE ADMINISTRATIVE AND EXECUTIVE BODIES

Gross remuneration paid by the Company in 2021 to the Chairman and Chief Executive Officer totalled €800 thousand, compared with €818 thousand at 31 December 2020.

The Chairman and Chief Executive Officer does not benefit from a specific plan for post-employment benefits.

A charge of €147 thousand was also recognised in 2021 in respect of remuneration allocated to members of the Board of Directors (other than the Chairman and Chief Executive Officer).

NOTE 8. STOCK-OPTION AND BONUS PERFORMANCE SHARE PLANS

8.1. Description of the plans in operation at 31 December 2021

	2021 performance share plan	2020 performance share plan	2019 performance share plan	2018 performance share plan
Total number of options and shares originally authorised	224,977	303,971	305,420	309,600
Rights cancelled during the period	-	-	-	309,600
Vesting during the period	-	-	-	(13,500)
Number of instruments outstanding at 31/12/2018	-	-	-	296,100
Rights awarded during the period	-	-	305,420	-
Rights cancelled during the period	-	-	(11,020)	(13,760)
Vesting during the period	-	-	-	-
Number of instruments outstanding at 31/12/2019	-	-	294,400	282,340
Rights awarded during the period	-	303,971	-	-
Rights cancelled during the period	-	(7,868)	(8,280)	(260)
Vesting during the period	-	-	-	-
Number of instruments outstanding at 31/12/2020	-	296,103	286,120	282,080
Rights awarded during the period	224,977	-	-	-
Rights cancelled during the period	(10,300)	(9,138)	(7,180)	(65,978)
Vesting during the period	-	(2,581)	(7,500)	(216,102)
Number of instruments outstanding at 31/12/2021	214,677	284,384	271,440	-

2018 bonus performance share plan

Performance conditions

The allotments were divided up into four tranches, and each tranche covered 25% of the shares allotted. Different performance conditions had to be met to trigger the effective acquisition of each tranche. These performance conditions were based on the growth in consolidated EBITDA during the 2020 financial year compared with the consolidated EBITDA for the 2017 financial year, on the growth in consolidated earnings per share for the 2020 financial year compared with the consolidated earnings per share for the 2017 financial year and on the change in the Albioma share price, calculated with net dividends reinvested (based on the average share price over 120 days) between 1 January 2018 and 31 December 2020 compared with the movement in the CAC Small Net Return (CACSN) index over the same period, and on the increase between 2017 and 2020 in the proportion of the Group's total energy production that corresponds to renewable energies.

Lock-in commitment

Shares that have vested are subject to a one-year lock-in obligation, notwithstanding the obligation on corporate officers to retain as registered shares 25% of the shares vesting until they stand down from office.

Status of the plan at 31 December 2021

Expired.

The performance levels resulted in the vesting, on 30 May 2021, of 216,102 shares in light of the continued service of the relevant beneficiaries at these dates.

2019 bonus performance share plan

Conditions de performance

The allotments are divided up into four tranches, and each tranche covers 25% of the shares allotted. Different performance conditions must be met to trigger the vesting of each tranche. These performance conditions are based on the growth in consolidated EBITDA during the 2021 financial year compared with the consolidated EBITDA for the 2018 financial year, on the growth in consolidated earnings per share for the 2021 financial year compared with the consolidated earnings per share for the 2018 financial year and on the change in the Albioma share price, calculated with net dividends reinvested (based on the average share price over 120 days) between 1 January 2019 and 31 December 2021

compared with the movement in the CAC Small Net Return (CACSN) index over the same period, and on the increase between 2018 and 2021 in the proportion of the Group's total energy production that corresponds to renewable energies.

Lock-in commitment

Shares that have vested are subject to a one-year lock-in obligation, notwithstanding the obligation on corporate officers to retain as registered shares 25% of the shares vesting until they stand down from office.

Status of the plan at 31 December 2021

Plan currently in operation.

2020 bonus performance share plan

Performance conditions

The allotments are divided up into four tranches, and each tranche covers 25% of the shares allotted. Different performance conditions must be met to trigger the vesting of each tranche. These performance conditions are based on the growth in consolidated EBITDA during the 2022 financial year compared with the consolidated EBITDA for the 2019 financial year, on the growth in consolidated earnings per share for the 2022 financial year compared with the consolidated earnings per share for the 2019 financial year and on the change in the Albioma share price, calculated with net dividends reinvested (based on the average share price over 120 days) between 1 January 2020 and 31 December 2022 compared with the movement in the CAC Small Net Return (CACSN) index over the same period, and on the increase between 2019 and 2022 in the proportion of the Group's total energy production that corresponds to renewable energies.

Lock-in commitment

Shares that have vested are subject to a one-year lock-in obligation, notwithstanding the obligation on corporate officers to retain as registered shares 25% of the shares vesting until they stand down from office.

Status of the plan at 31 December 2021

Plan currently in operation.

2021 bonus performance share plan

Performance conditions

The allotments are divided up into four tranches, and each tranche covers 25% of the shares allotted. Different performance conditions must be met to trigger the effective acquisition of each tranche. These performance conditions are based on the growth in consolidated EBITDA during the 2023 financial year compared with the consolidated EBITDA for the 2020 financial year, on the growth in consolidated earnings per share for the 2023 financial year compared with the consolidated earnings per share for the 2020 financial year and on the change in the Albioma share price, calculated with net dividends reinvested (based on the average share price over 120 days) between 1 January 2021 and 31 December 2023 compared with the movement in the SBF 120 Net Return index and the CAC Utilities Net Return index over the same period, and on the increase between 2020 and 2023 in the proportion of the Group's total energy production that corresponds to renewable energies.

Lock-in commitment

Shares that have vested are subject to a one-year lock-in obligation, notwithstanding the obligation on corporate officers to retain as registered shares 25% of the shares vesting until they stand down from office.

Status of the plan at 31 December 2021

Plan currently in operation.

8.2. Amounts recognised as expenses

	2021 performance share plan	2020 performance share plan	2019 performance share plan
2021	785	953	3,352
2020	-	513	586
2019	-	-	814

NOTE 9. REDEEMABLE SHARE SUBSCRIPTION AND/OR PURCHASE WARRANTS ("BSAAR WARRANTS")

Acting upon the authority granted to it by the General Meeting of shareholders of 30 May 2018, the Board of Directors, at its meeting of 8 November 2018, decided to carry out the issue of a maximum of 1,071,731 redeemable share subscription and/or purchase warrants ("BSAAR Warrants"), with the waiver of the preferential subscription rights of shareholders, in favour of 43 eligible individuals chosen from among the employees and executive corporate officers of the Company and its subsidiaries (including the Chief Executive Officer of the Company).

The main aim of the issue was to associate the Group's key managers to the Group's medium-term growth and performance. The offering responds to these managers' wish to invest indirectly, without any contribution from the Company, a considerable proportion of their personal savings in Albioma shares in order to support the roll-out of the Company strategy via a financial product enabling an optimal alignment of the interests of the Group's senior managers with those of its shareholders.

The transaction resulted in the issue of 1,071,731 BSAAR warrants of €0.90 each (giving issue proceeds of €964,557.90), allocated to 31 subscribers. The Company's Board of Directors appointed Accuracy as appraiser, commissioned to give an independent opinion on the unit issue price of the BSAAR warrants. Accuracy considered the issue price to be reasonable, stating: "*The estimated value of each BSAAR warrant is comprised within a range of estimates from €0.62 to €1.16. On this basis, the price of €0.90 considered by the Company for the issue of the BSAAR warrants seems reasonable to us.*" Accuracy's full report on its appraisal of the BSAAR warrants can be found on the Company's website (www.albioma.com).

The BSAAR warrants entitle their holders to subscribe for new shares and/or purchase existing Albioma shares; the Company may, at its discretion, allot new shares or existing shares or a combination of new and existing shares. A request will be made to admit the BSAAR warrants for trading on the Euronext Growth market. This request will be made no sooner than 6 December 2021 (save exceptions), the date from which the BSAAR warrants may be exercised. Until their admission for trading, the BSAAR warrants may neither

be transferred nor exercised (save exceptions). Subject to the applicable adjustment rules, one BSAAR warrant will entitle its holder, at the Company's discretion, to subscribe for a new or existing share, in consideration of payment of the exercise price. Said price was set at €20.90, i.e. a price equal to 120% of the average closing prices quoted for the Company's shares over a period of 20 consecutive trading days preceding 8 November 2018. The BSAAR warrants may be exercised at any time as from their admission for trading on the Euronext Growth market, scheduled for 6 December 2021, until 4 December 2024, subject to the Board of Directors' right to temporarily suspend the exercise period. After 4 December 2024, the BSAAR warrants shall lapse by operation of law and, consequently, may not be exercised by their holders.

The maximum number of shares that could result from the exercise of the warrants (in the event that all the BSAAR warrants are exercised and that all the shares allotted upon exercise of the BSAAR warrants are new shares, without adjustments) is 1,071,731, representing approximately 3.34 % of the Company's capital at 31 December 2021, and 3.24 % of the Company's capital post exercise of the BSAAR warrants. In this case, the capital increase carried out would have a par value of €41,261,643.5. Exercise of all the BSAAR warrants would represent proceeds from the issue of at most €22,399,177.90.

Since the opening of their exercise period on 6 December 2021, the BSAARs have been admitted to trading on Euronext Growth. As at 31 December 2021, 99,841 BSAARs had been exercised, representing exercise proceeds of €2,086,676.90. All of the exercised BSAAR warrants resulted in the delivery of an equivalent number of the Company's treasury shares. The terms and conditions of the BSAAR warrants thus issued are available on the Company's website (www.albioma.com). Since the offer did not require the drawing up of a prospectus subject to the approval of the AMF (*Autorité des Marchés Financiers* - French Financial Markets Authority), its launch resulted, pursuant to the applicable legal and regulatory provisions, in the publication of a press release on 8 November 2018, which is available on the Company's website (www.albioma.com).

NOTE 10. OFF-BALANCE SHEET COMMITMENTS

<i>In thousands of euros</i>	2021	2020
OFF-BALANCE SHEET COMMITMENTS GIVEN		
Guarantees given to suppliers	7,415	15,852
Joint and several loan repayment guarantees	61,642	49,796
Sundry commitments	696	1,433
Total off-balance sheet commitments given	69,753	67,081
OFF-BALANCE SHEET COMMITMENTS RECEIVED		
Liabilities guarantees	6,954	6,954
Total off-balance sheet commitments received	6,954	6,954

10.1. Off-balance sheet commitments given**Guarantees given to suppliers**

This commitment concerns payment guarantees given to suppliers in connection with supply agreements entered into by the subsidiaries.

Joint and several loan repayment guarantee

This commitment concerns parent company guarantees in the form of joint and several guarantees for the repayment of borrowings due to banks on behalf of:

- the Company's subsidiaries Albioma Rio Pardo Termoeletrica, Albioma Codora Energia and Albioma Esplanada Energia in Brazil;
- the photovoltaic subsidiaries Albioma Solaire Réunion and Albioma Energipole Solaire.

Sundry guarantees

The change on 2020 was due to the expiry of the guarantee covering the solar power projects and the BESV public contracts guarantee which totalled €537 thousand and matured on 1 January 2021.

Note that, in connection with certain project financing transactions, the Company has pledged shares in its subsidiaries to the lenders.

Pledges of subsidiaries' shares

Company	Start date of pledge	Maturity date of pledge	Value of securities in the parent company's financial statements (in thousands of euros)	Amount of pledged assets (in thousands of euros)	% of pledged asset	% of capital held	Number of shares pledged	Total number of shares
OTEO La Baraque	09/11/2005	31/12/2022	4,868	4,868	100%	25%	1,902,500	7,610,000
Albioma Saint-Aubin	15/04/2004	31/12/2020	1,886	1,886	100%	25%	637,500	2,550,000
Albioma Solaire Guyane	18/12/2009	26/12/2026	40	40	100%	100%	4,000	4,000
Albioma Solaire Lasalle	22/04/2010	31/12/2025	32	32	100%	80%	3,200	4,000
Albioma Solaire Matoury	17/12/2010	30/11/2029	1,813	1,813	100%	100%	1,600,240	1,600,240
Albioma Solaire Pierrelatte	29/10/2009	30/06/2028	3,836	40	1%	100%	4,000	383,600
Albioma Saint-Pierre	18/07/2016	31/10/2040	7,670	40	1%	51%	2,040	767,040
Albioma Solaire Réunion	15/05/2018	30/06/2039	6,246	6,246	100%	100%	5,000	5,000
Albioma Énergipole Solaire	15/03/2018	30/06/2038	632	632	100%	50%	4,212	8,424

10.2. Off-balance sheet commitments received

None.

NOTE 11. FINANCIAL DERIVATIVES

None.

NOTE 12. TRANSACTIONS WITH RELATED PARTIES

<i>In thousand\$ of euros</i>	2021	2020
STATEMENT OF FINANCIAL POSITION		
Trade receivables	15,855	29,758
Accrued expenses	509	653
Subsidiaries' current accounts – debit and tax consolidation	79,800	58,918
Accrued income	39	4,624
Subsidiaries' current accounts – credit and tax consolidation	63,036	105,767
Trade payables	62	431
INCOME STATEMENT		
Sales of photovoltaic plants, equipment and services	31,844	30,459
Recharging of seconded employees	1,346	1,120
Other amounts recharged	4,680	4,620
Interest on subsidiaries' current accounts	(7)	(24)
Interest on subsidiaries' current accounts	347	153
Income from participating interests	43,604	42,410

Transactions with related parties are entered into on an arm's length basis.

NOTE 13. ACCRUED INCOME AND ACCRUED EXPENSES

<i>In thousands of euros</i>	
Accrued income	
Customer invoices to be raised	2,525
Suppliers' credit notes not yet received	26
Value added tax on invoices not yet received	168
Amounts due from the State	274
Provisions for accrued income	2,226
Accrued expenses	
Suppliers' invoices not yet received	1,381
Amounts due to employees	5,394
Accrued social security charges	3,292
Value added tax on invoices to be raised	149
Amounts due to the State	278
Suppliers of non-current assets - Invoices not yet received	13
Provisions for accrued expenses:	656
Accrued interest on borrowings	250

NOTE 14. CONSOLIDATION

Albioma is the parent company of the Albioma Group, whose consolidated financial statements are drawn up in accordance with the International Financial Reporting Standards (IFRS).

NOTE 15. BREAKDOWN OF CORPORATION TAX BETWEEN CURRENT PROFIT OR LOSS AND NON-RECURRING PROFIT OR LOSS

<i>In thousands of euros</i>	Taxable base	Corporation tax
Current profit or loss before tax	(10,981)	(3,345)
Non-recurring profit or loss before tax	(2,034)	(620)
Total	(13,015)	(3,964)

NOTE 16. INCREASES AND DECREASES IN THE FUTURE TAX LIABILITY

<i>In thousands of euros</i>	Base amount	Increases and decreases in the future tax liability
INCREASES	-	-
DECREASES		
C3S	235	72
Profit-sharing	285	87

NOTE 17. EVENTS AFTER THE REPORTING DATE

On 14 February 2022, the Company completed the acquisition of the geothermal power plant Turcas Kuyucak Jeotermal Elektrik Üretim (renamed Albioma Kuyucak Jeotermal Elektrik Üretim), in Turkey, becoming its sole shareholder.

As far as the Company is aware, the conflict in Ukraine and the related geopolitical tensions have to date had no impact on its business.

NOTE 18. MATURITIES OF RECEIVABLES AND LIABILITIES

18.1. RECEIVABLES

<i>In thousands of euros</i>	Gross amount	Due within 1 year	Due in more than 1 year
NON-CURRENT ASSETS			
Receivables from participating interests	-	-	-
Loans	226	-	226
Other long-term investments	1,311	-	1,311
CURRENT ASSETS			
Trade receivables	16,592	16,592	-
Employee-related receivables	98	98	-
Social security and other employee welfare bodies	132	132	-
Corporation tax	1,474	1,474	-
Value added tax	380	380	-
Other taxes and duties	274	274	-
Group and shareholders	79,800	79,800	-
Sundry accounts receivable	27	27	-
Accrued income	2,226	2,226	-
Prepayments	294	294	-
Total	102,833	101,297	1,536

18.2. LIABILITIES

<i>In thousands of euros</i>	Gross amount	Due within 1 year	Due between 1 and 5 years	Due in more than 5 years
Bond issues	-	-	-	-
Borrowings from financial institutions				
Within maximum of 2 years at inception	729	729	-	-
Within more than 2 years at inception	142,500	23,333	15,667	103,500
Sundry borrowings and financial liabilities	-	-	-	-
Trade payables	2,364	2,364	-	-
Employee-related receivables	5,402	5,402	-	-
Social security and other employee welfare bodies	4,379	4,379	-	-
State and other public authorities				
Corporation tax	-	-	-	-
Value added tax	684	684	-	-
Other taxes and duties	380	380	-	-
Liabilities on non-current assets	216	216	-	-
Group and shareholders	61,834	61,834	-	-
Other liabilities	1,857	1,857	-	-
Accrued expenses	-	-	-	-
Deferred income	95	95	-	-
Total	220,441	101,274	15,667	103,500

NOTE 19. LIST OF SUBSIDIARIES AND PARTICIPATING INTERESTS

<i>In euros (unless stated otherwise)</i>	Share capital	Other equity	Number of shares held	% of capital held
Biomasse de Martinique Centre d'Affaires de Californie Immeuble Coralie, 8 lotissement La Trompeuse 97232 Lamentin (Martinique)	7,500	n/c	2,475	33,00%
Albioma Participações do Brasil Rua Gomes de Carvalho 1069, 13° andar, conjuntos 131 e 132 Condominio Edificio Advances Tower, Jardim Paulista CEP 04547-004 São Paulo, SP (Brasil)	250,000,000 (paid-up share as at 31/12/2021 : 246 768 893 BRL)	56,933,403 BRL	249,999,999	99,99%
Albioma Galion Usine du Galion 97220 La Trinité (Martinique)	17,040,000	61,306,959	13,632,000	80,00%
Compagnie Industrielle Cendres et Mâchefers 7 rue Patrice Lumumba ZAC Ravine à Marquet 97419 La Possession (La Réunion)	887,400	1,499,075	1,971	33,98%
Albioma Bois-Rouge 2 chemin de Bois-Rouge, Cambuston 97440 Saint-André (La Réunion)	18,826,302	66,371,869	1,235,000	100,00%
Albioma Services Réseaux Tour Opus 12 77 esplanade du Général de Gaulle 92081 Paris La Défense Cedex	6,000	(25,499)	6,000	100,00%
Terragen Beau Plan Business Park Pamplemousses 21001 (Île Maurice)	520,523,500 MUR	962,987,409 MUR	14,054,134	27,00%
Terragen Management Beau Plan Business Park Pamplemousses 21001 (Île Maurice)	100,000 MUR	4,820,447 MUR	2,825	28,25%
Omnican Thermal Energy Operations Saint-Aubin Omnican House Mon Trésor Business Gateway, New Airport Access Road Plaine Magnien (Île Maurice)	255,000,000 MUR	361,277,965 MUR	637,500	25,00%
Omnican Thermal Energy Operations La Baraque Omnican House Mon Trésor Business Gateway, New Airport Access Road Plaine Magnien (Île Maurice)	761,000,000 MUR	759,852,721 MUR	1,902,500	25,00%
Albioma Le Gol Le Gol, 1 route Nationale 97450 Saint-Louis (La Réunion)	13,354,534	110,151,638	566,045	64,62%
Albioma Le Moule Gardel 97160 Le Moule (Guadeloupe)	37,103,916	62,838,787	1,468,000	100,00%
Albioma Energipole Solaire Tour Opus 12 7 esplanade du Général de Gaulle 92081 Paris La Défense Cedex	1,263,600	427,922	4,212	50,00%
Marie-Galante Energie Usine de Grande Anse 97112 Grand-Bourg (Guadeloupe)	150,000	(52,206)	9,750	65,00%

Carrying amount of the shares			Shareholder advances, loans and current accounts	Dividend received in 2021	Revenue (excl. tax) for the last financial year	Net income for the last financial year
Gross	Provision	Net				
2,475	2,475	-	309,000	-	-	n/c
67,635,000 (paid-up share as at 31/12/2021)	17,993,393	49,641,607	-	-	4,625,817 BRL	34,292,244 BRL
13,632,000	-	13,632,000	31,454,425	-	82,313,389	12,802,333
312,260	-	312,260	-	203,897	9,199,189	554,699
63,365,942	-	63,365,942	(12,263,750)	14,931,150	179,596,641	17,416,005
6,000	-	6,000	4,846,702	-	-	(12,966)
5,392,972	-	5,392,972	-	556,128	1,838,966,287 MUR	134,428,772 MUR
2,400	-	2,400	-	-	50,229,981 MUR	- MUR
1,885,803	-	1,885,803	-	-	1,134,139,604 MUR	75,938,407 MUR
4,868,018	-	4,868,018	-	-	2,196,486,376 MUR	107,603,915 MUR
28,054,763	-	28,054,763	(18,451,420)	10,256,717	169,802,338	21,937,592
52,814,642	-	52,814,642	1,212,050	11,489,273	166,572,363	23,557,950
631,800	-	631,800	513,680	187,729	1,105,751	244,615
97,500	97,500	-	1,428,000	-	-	(3,200)

<i>In euros (unless stated otherwise)</i>	Share capital	Other equity	Number of shares held	% of capital held
Albioma Solaire Antilles 16 rue des Artisans, ZAC du Bac 97220 La Trinité (Martinique)	10,185,000	470,960	814,800	80,00%
Albioma Guyane Énergie Lieu-dit Savane Aubanèle, pk 9 route du Degrad Saramaca 97310 Kourou (Guyane)	40,000	(92,507)	4,000	100,00%
Albioma Solaire Fabrègues Tour Opus 12 77 esplanade du Général de Gaulle 92081 Paris La Défense Cedex	40,000	1,97,032	4,000	100,00%
Albioma Solaire Guyane Lieu-dit Savane Aubanèle, pk 9 route du Degrad Saramaca 97310 Kourou (Guyane)	40,000	1,450,101	4,000	100,00%
Albioma Solaire Habitat 16 rue des Artisans, ZAC du Bac 97220 La Trinité (Martinique)	4,370,000	378,198	349,600	80,00%
Quantum Energia Italia Piazzale Biancamano n°8 20121 Milano (Italie)	110,000	(378,149)	-	100,00%
Albioma Solaire Lassalle 16 rue des Artisans, ZAC du Bac 97220 La Trinité (Martinique)	40,000	2,951,368	3,200	80,00%
Albioma Solaire Matoury Carrefour de Stoupan, Route de Roula D6, Lieu-dit Macrabo Ouest Savanne du Tour de l'île 97351 Matoury (Guyane)	1,600,240	(3,419,624)	1 600,240	100,00%
Albioma Solaire Pierrelatte Tour Opus 12 77 esplanade du Général de Gaulle 92081 Paris La Défense Cedex	3,836,000	5,560,109	383,600	100,00%
Albioma Solaire Kourou Lieu-dit Savane Aubanèle PK 9, route du Degrad Saramaca 97310 Kourou (Guyane)	1,000	(82,944)	900	90,00%
Albioma Saint-Pierre 13D avenue Charles Isautier, ZI n° 3 97410 Saint-Pierre (La Réunion)	15,040,000	7,408,511	767,040	51,00%
Albioma Solaire Réunion 21 rue Hélène Boucher Zone Aéroportuaire 97438 Sainte-Marie (La Réunion)	50,000	14,334,279	5,000	100,00%
Solaire de Martinique Centre d'Affaires de Californie Immeuble Coralie, 8 lotissement La Trompeuse 97232 Lamentin (Martinique)	100,000	n/c	333	33,30%
Sun Developers 15 (Orgiva) Sancha de Lara 13 29015 Malaga (Espagne)	4,306	73,396	-	100,00%
Sun Developers 16 (Orgiva) Sancha de Lara 13 29015 Malaga (Espagne)	4,006	23,063	-	100,00%

Carrying amount of the shares			Shareholder advances, loans and current accounts	Dividend received in 2021	Revenue (excl. tax) for the last financial year	Net income for the last financial year
Gross	Provision	Net				
8,148,000	-	8,148,000	(3,017,238)	277,032	4,529,740	50,235
40,000	40,000	-	52,945	-	-	(3,093)
40,000	-	40,000	320,794	-	481,749	157,749
40,000	-	40,000	2 420 478	1,699,240	6,334,752	1,466,074
3,496,000	-	3,496,000	(1,505,508)	293,664	1,612,652	209,907
110,000	110,000	-	2,090,576	-	-	(14,975)
32,000	-	32,000	850,145	544,000	2,425,799	632,474
1,812,775	1,812,775	-	701,294	144,022	1,994,117	(3,507,100)
3,836,000	-	3,836,000	(6,823,284)	-	2,694,883	1,165,262
900	900	-	208,670	-	-	(3,908)
7,670,400	-	7,670,400	275,413	1,365,331	18,815,866	4,791,074
6,245,864	-	6,245,864	1,924,262	1,000,000	9,898,037	1,159,809
16,650	16,650	-	-	-	-	n/c
458,841	-	458,841	(2,937)	-	2,768	(10,995)
355,237	-	355,237	(1,852)	-	-	(3,352)

<i>In euros (unless stated otherwise)</i>	Share capital	Other equity	Number of shares held	% of capital held
Sun Developers 17 (Orgiva) Sancha de Lara 13 29015 Malaga (Espagne)	1,000	n/c	-	100,00%
Sun Developers 18 (Linares) Sancha de Lara 13 29015 Malaga (Espagne)	250	n/c	-	100,00%
Sun Developers 2 (Linares) Sancha de Lara 13 29015 Malaga (Espagne)	113,250	n/c	-	100,00%
Sun Developers 3 (Linares) Sancha de Lara 13 29015 Malaga (Espagne)	226,500	n/c	-	100,00%
Énergie Beaufonds 8 allée de Beaufonds 97470 Saint-Benoît (La Réunion)	37,000	n/c	1,195	64,62%
Albioma Solaire Caraïbes 16 rue des Artisans Zac du Bac 97220 La Trinité (Martinique)	10,000	6,418	10,000	100,00 %
Albioma Solaire Amazonie (formerly Albioma Solaire Guyane 2017) Lieu-dit Savane Aubanèlle PK 9, route du Dégrad Saramaca 97310 Kourou (Guyane)	10,000	(21,480)	10,000	100,00%
Saint Benoît Energies vertes ZI de Beaufonds Chemin Manioc 97470 Saint-Benoît (La Réunion)	10,000	n/c	2	20,00%
Albioma Solaire Organabo Lieu-dit Savane Aubanèlle PK 9, route du Dégrad Saramaca 97310 Kourou (Guyane)	10,000	(9,146)	10,000	100,00%
Albioma Solaire Galion (formerly Solaire Du Bac) 16 rue des Artisans, ZAC du Bac 97220 La Trinité (Martinique)	1,000	(15,717)	51	51,00%
Albioma Solaire France Ecoparc, ZI Courtine 120 rue Jean-Marie Tjibaou 84000 Avignon	1,088,038	7,782,015	77,717	100,00%
Albioma Solaire Développement (formerly Albioma Solaire) ZI rue Hélène Boucher Zone Aéroportuaire 97438 Sainte-Marie (La Réunion)	1,000	(99,055)	100	100,00%
Gümüşköy Jeotermal Enerji Üretim A.S. Gümüşköy Mah. Gümüşköy Sk.N°131 IC Kapi No1 Germencik AYDIN (Turquie)	21,880,500 TL	n/c	21,880,500	75,00%
Pantelleria Geotermia Verde Srl Milano (mi) Piazzale Bianamano 8 CAP 20121 (Italie)	10,000	n/c	10,000	100,00%
9455-8624 Québec Inc. 2500-1000 rue de la Gauchetière Ouest Montréal (Québec) H3B0A2 CANADA	100 Canadian dollars	n/c	100	100,00%
Total				

Carrying amount of the shares			Shareholder advances, loans and current accounts	Dividend received in 2021	Revenue (excl. tax) for the last financial year	Net income for the last financial year
Gross	Provision	Net				
1,000	1,000	-	-	-	-	n/c
250	250	-	-	-	-	n/c
113,250	113,250	-	112	-	-	n/c
226,500	226,500	-	118	-	-	n/c
18,803	18,803	0	-	-	n/c	n/c
10,000	-	10,000	2,131,581	-	27,534	8,368
10,000	-	10,000	1,060,252	-	-	(6,201)
2,000	2,000	-	-	-	-	n/c
10,000	-	10,000	249,947	-	-	(2,757)
1	-	1	388,207	-	14,669	3,603
16,349,242	-	16,349,242	3,003,298	655,931	435,239	265,733
1,000	-	1,000	560,848	-	552,500	(96,767)
2,459,881	-	2,459,881	4,969,697	-	563,750	656,193
10,000	-	10,000	-	-	-	(2,288)
21,117,515	-	21,117,515	694,117	-	-	-
311,333,684	20,435,496	290,898,188	19,600,623	43,604,114		

5.4. Statutory Auditors' Report on the annual financial statement

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Pricewaterhouse Coopers Audit

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

Mazars

Tour Exaltis – 61 rue Henri Regnault
92400 Courbevoie
France

To the Albioma General Meeting,

OPINION

In compliance with the assignment entrusted to us by your General Meeting, we have audited the Albioma annual financial statements for the year ended 31 December 2021, as appended to this report.

In our opinion, the annual financial statements for the financial year under review give a true and fair view of the Company's assets and liabilities, financial position and profit and loss, in accordance with generally-accepted accounting principles in France.

The opinion given above is consistent with the content of our report to the Audit, Accounts and Risks Committee.

BASIS FOR OUR OPINION

Auditing standards

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are set out in the section of this report entitled "Statutory Auditors' responsibilities regarding the audit of the annual financial statements".

Independence

We conducted our audit, in accordance with the rules of independence laid out in the French Commercial Code and the French Code of Ethics for Statutory Auditors, during the period from 1 January 2021 to the date of issue of our report. In particular we did not provide any services prohibited by Article 5 (1) of Regulation (EU) no. 537/2014.

JUSTIFICATION OF OUR ASSESSMENTS - KEY AUDIT MATTERS

The Covid-19 global pandemic has created unusual conditions in terms of preparing and auditing the financial statements for this financial year. In fact, this pandemic and the extraordinary measures put in place in response to it have had a whole range of consequences for companies, particularly on their business and financing, along with increased uncertainty on their outlook. Some of these measures, such as travel restrictions and remote working, have also impacted the internal organisation of companies and how audits are organised.

It is against this complex and evolving situation that, in accordance with the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key audit matters relating to risks of material misstatement that, in our professional judgement, were of most significance for the audit of the annual financial statements for the financial year under review, as well as our responses to those risks.

These assessments were made in the context of our audit of the annual financial statements taken as a whole and of forming our opinion expressed above. We do not provide a separate opinion on specific items included in these annual financial statements.

Measurement of participating interests and Group current accounts (Notes 2.2 and 3.1 "Long-term investments" and 3.2 "Current assets" to the annual financial statements)

Description of the risk

Albioma holds participating interests in thermal and geothermal power plants and in photovoltaic plants. At 31 December 2021, the net amount at which participating interests were recognised in the statement of financial position was €290,898 thousand, i.e. 61% of the Company's total assets. The gross value at which current account balances due from investees

were recognised in the statement of financial position was €78,750 thousand, against which impairment provisions had been recognised totalling €5,841 thousand. These account balances are recognised on the "Other receivables" line. Participating interests are initially recognised at their acquisition cost.

As indicated in Note 2.2 to the annual financial statements, a review of the indications of impairment of participating interests is performed annually on a line-by-line basis. If there is evidence of impairment, the present value is updated. The present value is initially determined on the basis of the Group's share in the recorded net assets of the investee. If said share is lower than the carrying amount of the participating interest, the present value is estimated on the basis of future cash flows.

Estimating future cash flows requires significant judgement on the part of Management, particularly as regards the drawing up of forecasts and the selection of the discount rates and long-term growth rates used. The forecasts are based on economic and operational assumptions such as the availability of the plants or changes in operating costs.

If the present value determined in this manner is lower than the carrying amounts of the interests held and the current account balances, a provision for impairment is recognised.

Given the relative importance of these participating interests to the statement of financial position and the uncertainties inherent in the assumptions used to measure their present value, we have taken the view that the measurement of participating interests and, where relevant, that of the related current account balances owed by subsidiaries is a key audit matter.

Audit procedures implemented to address this risk

To assess the reasonableness of the estimated present values of the participating interests and current accounts, our audit work focussed mainly on:

- understanding the processes implemented by the Group to identify indications of impairment and draw up budgets;
- in the case of measurements using historical data, checking that the equity used matches the accounts of the investees;
- in the case of measurements based on forecast information, assessing the reasonableness of the assumptions used (forecast earnings, growth rates and discount rates) by comparing it with historical performance and by corroborating it with the relevant contractual terms and conditions and the economic and regulatory environment in which Albioma operates.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications provided for by the law and regulations.

Information provided in the management report and in other documents on the financial position and the annual financial statements sent to shareholders

We have no comments to make as to the fair presentation and consistency with the annual financial statements of the information provided in the Board of Directors' management report and in the other documents on the financial position and the annual financial statements sent to shareholders.

We confirm the accuracy and consistency with the annual financial statements of the information relating to payment times referred to in Article D. 441-6 of the French Commercial Code.

Report on corporate governance

We confirm that the disclosures required under Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code have been included in the Board of Directors' report on corporate governance.

Regarding the information provided pursuant to the provisions of Article L. 22-10-9 of the French Commercial Code on the remuneration and benefits paid to corporate officers and on commitments given on their behalf, we have verified its consistency with the financial statements or with the data used in the preparation of these financial statements and, where applicable, with the information gathered by your Company from controlled companies within the scope of consolidation. Based on this work, we certify that this information provides a true and fair view.

Regarding the information relating to those factors your Company has deemed likely to have an impact in the event of a public purchase or exchange offer, which was provided in accordance with Article L. 22-10-11 of the French Commercial Code, we have verified its consistency with the documents from which it was extracted and which were provided to us. Based on this work, we have no comments to make on this information.

Other information

Pursuant to the law, we have verified that the various items of information on the identity of the holders of the share capital and voting rights has been provided to you in the management report.

OTHER CHECKS OR DISCLOSURES REQUIRED BY LAW AND REGULATION**Format of presentation of the annual financial statements to be included in the annual financial report**

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the annual financial statements to be included in the annual financial report referred to in paragraph I of Article L. 451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and prepared under the responsibility of the Chairman and Chief Executive Officer, complies with this format, as defined by European Delegated Regulation no. 2019/815 of 17 December 2018.

On the basis of our work, we conclude that the presentation of the annual financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

It is not our responsibility to ensure that the annual financial statements to be included by your Company in the annual financial report filed with the French Financial Markets Authority (*Autorité des Marchés Financiers* - AMF) correspond to those on which we carried out our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Albioma by the General Meeting of 18 May 2010 in the case of PricewaterhouseCoopers Audit and 27 May 2004 in the case of Mazars.

At 31 December 2021, PricewaterhouseCoopers Audit was in its 12th consecutive year of its term of office and Mazars was in its 18th year.

RESPONSIBILITIES OF MANAGEMENT AND PERSONS CHARGED WITH CORPORATE GOVERNANCE IN RESPECT OF THE ANNUAL FINANCIAL STATEMENTS

It is Management's responsibility to prepare the annual financial statements giving a true and fair view in accordance with French accounting rules and principles and to implement the internal control procedures it deems necessary to ensure that the annual financial statements it has prepared are free of material misstatement, whether due to fraud or error.

When preparing the annual financial statements, it is Management's responsibility to assess the company's ability to continue as a going concern, to present in those financial statements, where relevant, the necessary information relating to its viability as a going concern, and to apply the going concern accounting convention unless the company is expected to be wound up or to cease operating.

The Audit, Accounts and Risks Committee is responsible for monitoring the financial reporting process and the effectiveness of the internal control and risk management systems and, where relevant, the internal audit system, as these apply to the procedures for preparing and processing the accounting and financial information.

The annual financial statements have been approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES REGARDING THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS**Audit objectives and approach**

It is our responsibility to prepare a report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements taken as a whole are free of material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will systematically identify all material misstatements. Misstatements may result from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions that users of the financial statements make based on them.

As specified by Article L. 823-10-1 of the French Commercial Code, our responsibility is to certify the financial statements, and not to guarantee the viability or the quality of your Company's management.

As part of an audit carried out in accordance with French professional standards, the Statutory Auditors exercise professional judgement throughout the audit. In addition, they:

- identify and assess the risks of material misstatement in the annual financial statements, whether resulting from fraud or error, define and implement audit procedures to deal with those risks, and obtain audit evidence they deem sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation, or the circumvention of internal controls;
- obtain an understanding of the internal control system relevant to the audit so as to define audit procedures that are appropriate in the circumstances, and not for the purposes of expressing an opinion on the effectiveness of the internal control system;
- assess the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by Management, as well as information about them disclosed in the annual financial statements;
- assess the appropriateness of Management's application of the going concern accounting convention and, depending on the audit evidence obtained, whether a material uncertainty exists related to events or circumstances likely to jeopardize the company's ability to continue as a going concern. This assessment is based on the evidence obtained up to the date of the auditors' report. It should, however, be noted that subsequent circumstances or events could cause the company to cease to continue as a going concern. If they conclude that a material uncertainty exists, they will draw readers' attention to the related disclosures in the annual financial statements or, if such disclosures are not provided or are inadequate, they will either issue a qualified opinion on the financial statements or refuse to certify them;
- evaluate the overall presentation of the annual financial statements and assess whether the annual financial statements represent the underlying transactions and events in such a manner as to achieve fair presentation.

Report to the Audit, Accounts and Risks Committees

We submit a report to the Audit, Accounts and Risks Committee which provides information about the scope of our audit and the work programme implemented, as well as our audit findings. We also bring to its attention, where relevant, material weaknesses in the internal control system that we identified in respect of the procedures for preparing and processing accounting and financial information.

The information provided in our report to the Audit, Accounts and Risks Committee includes the risks of material misstatement that we consider to have been the most important to the audit of the annual financial statements for the financial year under review and which therefore constitute the key audit matters, which we are required to describe in this report.

We also provide the Audit, Accounts and Risks Committee with the statement stipulated by Article 6 of Regulation (EU) 537-2014 confirming our independence, within the meaning of the rules applicable in France as specified, in particular, in Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the statutory auditors' professional code of ethics. Where relevant, we discuss with the Audit, Accounts and Risks Committee any risks to our independence and the safeguards applied.

Neuilly-sur-Seine and Courbevoie, 28 April 2022

The Statutory Auditors,

PricewaterhouseCoopers Audit

Jérôme Mouazan

Mazars

Daniel Escudeiro

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6.1. Company information

6.1.1. IDENTIFICATION DETAILS

6.1.1.1. Name

The Company has been called Albioma since the General Meeting of 30 May 2013, at which the shareholders resolved to change the Company's name. Prior to this meeting, the Company was called Séchilienne-Sidec.

6.1.1.2. Legal form

Albioma is a French limited company incorporated as a société anonyme governed by a Board of Directors.

6.1.1.3. Legislation applicable to the issuer

Albioma is governed by French law.

6.1.1.4. Trade and companies register

The Company is registered in the Nanterre Trade and Companies Register under number 775 667 538 (APE Code: 7010 Z).

6.1.1.5. Legal Entity Identifier (LEI)

The Company's Legal Entity Identifier (LEI) is 9695002W8GRJRZ44MA62.

6.1.1.6. Date of incorporation and duration of the Company (Article 6 of the Memorandum and Articles of Association)

"The Company's duration (initially fixed at 30 years, extended until 31 December 1949 and then until 31 December 2039) has been further extended for an additional period of 60 years pursuant to a resolution adopted at the Extraordinary General Meeting of 16 June 2009 and accordingly, the Company will cease to exist on 31 December 2099 save in the event of early dissolution or further extension."

6.1.1.7. Objects (Article 3 of the Memorandum and Articles of Association)

"The Company has the following objects:

- to study, create, finance, supply, operate and sell, either directly or indirectly, facilities recycling and/or using any form of fossil fuel or renewable energy along with all electrometallurgical, electronic, electrochemical, chemical, gaseous, metallurgical, electrical, mechanical, thermal, hydraulic, handling and traction products, appliances and equipment,
- to acquire direct or indirect holdings in any existing or future French or foreign business or company, whose corporate objects may contribute towards the achievement of the corporate objects or are connected to these objects or similar or related objects, and to take over the management of the said business or company,

- and, generally, to carry out all industrial and commercial transactions and all transactions involving movable or immovable property, that are directly or indirectly connected to the foregoing or that may be useful for the corporate objects or instrumental in the achievement or development thereof."

6.1.1.8. Registered office

The Company's registered office is at Tour Opus 12, 77 esplanade du Général de Gaulle, 92081 Paris La Défense, France.

6.1.1.9. Financial year

The Company's financial year commences on 1 January and ends on 31 December of each year.

6.1.1.10. Consultation of company documents

The Memorandum and Articles of Association, company and consolidated financial statements, reports and shareholder information can be consulted at the Company's registered office, at Tour Opus 12, 77 esplanade du Général de Gaulle, 92081 Paris La Défense, during office hours (postal address: Tour Opus 12, La Défense 9, 77 esplanade du Général de Gaulle, 92914 La Défense Cedex). Most of these documents can also be viewed, free of charge, on the Company's website www.albioma.com.

6.1.1.11. Contact details

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6.1.2. MEMORANDUM AND ARTICLES OF ASSOCIATION

6.1.2.1. Amendments to the Memorandum and Articles of Association approved by the General Meeting of 25 May 2021

The General Meeting of 25 May 2021 approved the amendments to the provisions of Article 19 of the Memorandum and Articles of Association to allow the Board of Directors to ask the General Meeting to reappoint Directors for terms of office of under four years, so as to re-establish and subsequently maintain the steady renewal of terms of office on the Board of Directors (see additional information in Section 2.4.3.1 on page 100 of this Universal Registration Document).

6.1.2.2. Amendments to the Memorandum and Articles of Association submitted for approval by the General Meeting of 25 May 2022

The General Meeting of 25 May 2022 will be asked to amend the provisions of Article 30 of the Memorandum and Articles of Association regarding the requirement to appoint alternative Statutory Auditors, such that this requirement only applies when the principal Statutory Auditors are individuals or single member companies (see additional information in Section 7.2.2.4 on pages 315 *et seq.* of this Universal Registration Document).

6.1.2.3. Administration and General Management (Articles 19 to 29 of the Memorandum and Articles of Association)

Article 19 of the Memorandum and Articles of Association

“Governance of the Company shall be entrusted to a Board composed of at least three members and no more than twelve members, appointed by the shareholders at General Meetings.

The term of office of each member of the Board of Directors shall be four years, where one year corresponds to the period from one Annual General Meeting to the next.

The Ordinary General Meeting may appoint certain Directors for a term shorter than four years or, depending on the circumstances, reduce the term of office of one or more Directors, to enable a staggered reappointment of the members of the Board of Directors. The order in which their term of office expires shall be determined by the Board of Directors based on seniority, without prejudice to a different order determined by a unanimous decision of the Board of Directors.

Outgoing Directors may be reappointed.

In the event a seat on the Board becomes vacant between two General Meetings due to resignation or death, the Board shall be entitled to make a provisional appointment for the remainder of the term of office of the replaced Director, with a view to maintaining the same number of Board members.

The shareholders shall make a final appointment at the next Ordinary General Meeting. However, if the number of Board members falls below the statutory minimum of three, the Board or - failing that - the Statutory Auditors, shall immediately convene a General Meeting to make up the numbers. Any interested party may do the same, in accordance with the terms and conditions laid down by law.

In the event any appointments made by the Board of Directors are not subsequently ratified by the shareholders, all the Board's decisions and actions shall nevertheless remain valid.

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

Article 20 of the Memorandum and Articles of Association

“The Directors must each hold four hundred (400) registered shares throughout their term of office.

In the event a Director does not hold the aforementioned number of shares at the time of his appointment or ceases to hold the aforementioned number at any time during his office, he will be deemed to have automatically resigned unless he remedies the situation within a six (6) month period.”

Article 21 of the Memorandum and Articles of Association

“By way of remuneration for their duties, the Directors shall receive remuneration, the overall amount of which will be set by the General Meeting. The individual amounts to be paid to the Directors in this respect, based on their duties and actual attendance at Board and Committee meetings, shall be set by the Board of Directors.”

Article 22 of the Memorandum and Articles of Association

“The Board shall appoint one of its members as Chairman, who must have French nationality or be a citizen of a member state of the European Economic Area, and, if need be, shall determine his remuneration. The Chairman shall be appointed for a term of office that may not exceed his term of office as a Director. The Board shall appoint a secretary, who may but need not be a Board member.

The Chairman represents the Board of Directors. He organises and oversees its work, and reports thereon to the General Meeting. He ensures the Company's governance bodies operate properly and, more specifically, that the Directors are in a position to perform their duties.

In the event the Chairman reaches the age of 65 during his term of office, he will remain in office until expiry of his term of office. The Board of Directors may then reappoint him as Chairman once or more than once, provided the total term does not exceed the term of a directorship.

When the roles of Chairman of the Board of Directors and Chief Executive Officer are combined, the Board shall appoint one of its members as Lead Independent Director to ensure the proper functioning of the Company's governance bodies and that Directors receive the information they need to perform their duties.

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

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

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

Meetings are called by the Chairman or, in the event of the temporary or permanent incapacity of the latter, by the Lead Independent Director. In any event, meetings of the Board of Directors may be called by half of its members. However, if a Board meeting has not been held for more than two months at least one third of the Directors may call a meeting, stating the agenda. The Chief Executive Officer may also ask the Chairman to call a meeting of the Board of Directors to consider a specific agenda.

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

In accordance with the legal and regulatory provisions and the Internal Regulations adopted by the Board of Directors, and within the limits provided thereby, Directors who attend meetings of the Board of Directors using video-conferencing or telephone conferencing facilities that allow them to be identified and guarantee their effective participation shall be deemed present when calculating the quorum and majority. However, such methods may not be used when adopting the annual financial statements and the management report or when adopting the consolidated financial statements and the Group management report.

All Directors may be represented by another Director at a specific meeting. A proxy may be appointed by means of an ordinary letter or even by telegram. A Director may only represent one other Director at a given meeting. The presence of at least half of the Directors in office is necessary for the Board to validly transact business. Decisions shall be taken by a majority of the votes of the members present or represented, and any Director who represents another Director

shall hold two votes. In the event of a tie, the chairman of the meeting shall have a casting vote."

Article 23 of the Memorandum and Articles of Association

"Decisions shall be recorded in minutes kept in a special minute book as required by law, and signed by the chairman of the meeting and at least one Director. In the event the chairman of the meeting is unable to sign, the minutes shall be signed by at least two Directors.

The minutes shall be drawn up in accordance with the law.

Copies of or excerpts from the minutes required as evidence in court, or for any other reason, shall be validly certified by the Chairman of the Board of Directors, the Chief Executive Officer, a Director temporarily acting as chairman or any person specifically authorised for that purpose by the Board of Directors.

Production of a copy of or excerpt from the minutes of a meeting shall be sufficient proof of the number of Directors in office and the number present or represented at the meeting.

An excerpt from minutes recording a grant of authority by the Board shall be sufficient evidence of the existence of such authority."

Article 24 of the Memorandum and Articles of Association

"The Board of Directors shall define the Company's business policies and supervise their implementation. Subject to the powers expressly granted to shareholders at General Meetings and to the scope of the Company's objects, it shall deal with all issues affecting the proper running of the Company and settle all matters concerning the Company in the course of its meetings. It shall define the Company's strategic policies, and its prior authorisation shall be required for any material transaction that falls outside the scope of the announced business strategy, including major organic growth investments, internal restructuring operations or external acquisitions or sales.

The Board of Directors shall carry out all the checks and controls it considers appropriate. It shall review the Company's financial position, cash flow situation and commitments on a regular basis."

Article 25 of the Memorandum and Articles of Association

Choice between two methods of General Management

"In accordance with Article L. 225-51-1 of the French Commercial Code, the Company's General Management shall be the responsibility of either the Chairman of the Board

of Directors or of another natural person appointed by the Board of Directors with the title of Chief Executive Officer.

The Board of Directors shall decide which method of General Management shall apply. The Board's decision concerning the choice of method of general management must be approved by the majority of Directors present or represented at the meeting. Shareholders and third parties shall be informed of the Board of Directors' decision in accordance with the terms and conditions laid down in the applicable regulations.

A change in the method of General Management shall not require the amendment of the Memorandum and Articles of Association."

General Management

"The Chairman or the Chief Executive Officer shall be responsible for the Company's General Management, depending on the method of management chosen by the Board of Directors.

The Chief Executive Officer shall be appointed by the Board of Directors, which shall also determine his term of office, his remuneration, if applicable, and any limitations placed on his authority, if appropriate.

He must be aged under 70 in order to hold office. In the event he reaches this age limit when in office, the Chief Executive Officer shall be automatically deemed to have resigned and a new Chief Executive Officer shall be appointed.

The Chief Executive Officer may be removed from office at any time by the Board of Directors. A Chief Executive Officer who is not also Chairman may claim compensation if he is removed from office without just cause."

Powers of the Chief Executive Officer

"The Chief Executive Officer shall be vested with the broadest powers to act in all circumstances in the name of the Company. He shall exercise these powers within the limits of the Company's objects and subject to any powers expressly granted by law to the shareholders and the Board of Directors.

He shall represent the Company in dealings with third parties. The Company shall be bound by any actions or decisions of the Chief Executive Officer that do not fall within the scope of the Company's objects, unless the Company can prove that the third party was aware that the action or decision in question fell outside the scope of the objects or could not have been unaware thereof, in view of the circumstances. However, mere publication of the Memorandum and Articles of Association is not sufficient proof thereof."

Deputy Chief Executive Officers

"Following a proposal by the Chief Executive Officer, irrespective of whether this office is held by the Chairman of the Board of Directors or by any other person, the Board of Directors may appoint one or more natural persons to assist the Chief Executive Officer, with the title of Deputy Chief Executive Officer.

The Board of Directors shall determine, in conjunction with the Chief Executive Officer, the scope and period of validity of the powers granted to the Deputy Chief Executive Officers, and shall set their remuneration, if applicable.

The Deputy Chief Executive Officer or Officers shall have the same powers as the Chief Executive Officer with regard to third parties.

In the event the Chief Executive Officer no longer holds office or is unable to act, the Deputy Chief Executive Officers shall remain in office with the same powers and responsibilities until a new Chief Executive Officer is appointed, subject to any decision to the contrary by the Board of Directors.

Deputy Chief Executive Officers may be removed from office at any time by the Board of Directors, on the basis of a proposal by the Chief Executive Officer. Deputy Chief Executive Officers may claim compensation if they are removed from office without just cause."

Article 26 of the Memorandum and Articles of Association

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

Article 27 of the Memorandum and Articles of Association

"Subject to the Chairman's consent, the Board of Directors may enter into agreements with any senior managers, defining the term of their appointments, the scope of their powers and responsibilities, retirement provisions and terms and conditions relating to their removal from office.

Lastly, the Board of Directors may grant powers to any person of its choice pursuant to a special power of attorney for one or more specific purposes."

Article 28 of the Memorandum and Articles of Association

"Any agreement entered into directly or via an intermediary between the Company and one of its Directors, its Chief Executive Officer, one of its Deputy Chief Executive Officers, one of its shareholders holding more than 10% of the voting rights or, if the shareholder is a company, the company controlling it within the meaning of Article L. 233-3 of the French Commercial Code, shall require the prior authorisation of the Board of Directors under the terms and conditions laid down by law.

This shall also apply to any agreements in which any of the persons referred to in the previous paragraph have an indirect interest.

Any agreements entered into, directly or via an intermediary, between the Company and any company or undertaking when one of the Directors, the Chief Executive Officer or one of the Deputy Chief Executive Officers of the Company is an owner, partner with unlimited liability, manager, director, member of the supervisory board or, more generally, senior executive of such company or business shall also require prior authorisation.

The Chairman of the Board of Directors shall inform the Statutory Auditors of all authorised agreements, as the Statutory Auditors are required to present a special report on such agreements to the shareholders at General Meetings. The shareholders shall vote on the report in accordance with the terms and conditions laid down by law.

The foregoing provisions shall not apply to agreements relating to everyday transactions entered into at arm's-length. However, the interested party shall inform the Chairman of the Board of Directors of any such agreement, unless it is not material for any of the parties thereto, in view of its purpose or financial implications, and the Chairman of the Board of Directors shall inform the Directors and the Statutory Auditors of all such agreements and their purpose. Any shareholder may ask to receive a copy of any such agreement."

Article 29 of the Memorandum and Articles of Association

"The Chairman and the members of the Board of Directors shall be responsible and liable for the performance of their duties in accordance with the terms and conditions laid down in the applicable laws."

6.1.2.4. Rights, benefits and restrictions attached to shares (Articles 9 to 12, 14 to 18, 37 and 45 of the Memorandum and Articles of Association)

Article 9 of the Memorandum and Articles of Association

"At least one quarter of the par value of each share is payable at the time of subscription plus the issue premium, if any, in full, and the balance is payable on the dates set by the Board of Directors, and within a maximum time period of five years.

In the event of a public offering and if the capital increase is completed solely as a result of implementation of the performance bond signed in accordance with the terms and conditions laid down by law, the part of the par value that is due and, if applicable, the full amount of the issue premium, must be paid no later than 35 days after the end of the subscription period.

All shares that have not been fully paid up shall be registered shares until they are paid up in full.

Shareholders shall be informed of all calls for payments on shares that have not been fully paid up by means of a notice published in an official gazette for legal notices for the area in which the registered office is located, fifteen days before the date set for payment.

Shareholders, intermediary transferees and subscribers shall be jointly and severally liable for the payment of the price of a share."

Article 10 of the Memorandum and Articles of Association

"Interest shall be automatically payable to the Company at the official rate on any late payments, with effect from the due date and without the need for any application to the courts.

In the event any payment after the first payment is not made on the due date, the Company shall be entitled to arrange for the sale, in accordance with the terms and conditions laid down by law, of the shares for which payment of the amounts due has not been received, one month after it has sent a formal demand for payment to the defaulting shareholder by recorded delivery with proof of delivery. The Company shall be entitled to sell the shares on the market on the defaulting shareholder's behalf and at his risk, without any need for a court order, using the services of a brokerage firm.

On expiry of a period of thirty clear days from the aforementioned formal demand, shares for which any amount due is still outstanding shall no longer entitle their holder to attend meetings of shareholders and take part in the voting, and shall not be counted when calculating the quorum.

Rights to dividends and preferential subscription rights in the event of a capital increase attached to such shares shall be suspended. After payment of all sums due in principal plus interest, the shareholder may request payment of any dividends that have not lapsed in the meantime. The shareholder may not take any action with regard to preferential subscription rights in the event of a capital increase if the time period set for exercising such rights has expired.

The net proceeds from the sale of such shares shall be offset against the amount owed to the Company by the expropriated shareholder, in accordance with the law, and the remaining balance shall be owed by or to the shareholder, as the case may be.

The Company shall also be entitled to take legal action personally and under ordinary law against the shareholder and his guarantors, either before, after or at the same time as the sale of the shares."

Article 11 of the Memorandum and Articles of Association

"Shares that have not been fully paid up shall be registered in an account as registered shares until full payment of the price.

Each payment made on shares subscribed shall be recorded in an account opened in the name of the subscriber."

Article 12 of the Memorandum and Articles of Association

"Shares that have been fully paid up shall be registered in an account as registered shares or bearer shares, as the shareholder wishes.

Share transfers, irrespective of their form, shall be made by an account-to-account transfer in accordance with the terms and conditions laid down in the applicable laws and regulations.”

Article 14 of the Memorandum and Articles of Association

“Subject to any rights granted to preference shares, if any are issued, each share shall entitle its holder to a fraction of the corporate assets proportionate to the amount of capital it represents.

It shall also entitle its holder to a share of the profits, as provided in Articles 45 and 48 hereof.

During the Company’s existence and at the time of its liquidation, each share shall entitle its holder to receive an identical net amount in any allocation or redemption; this means that, when necessary, all the shares shall be grouped together and treated identically for the purposes of any tax exemptions or taxes levied in respect of such allocation or redemption to be borne by the Company, while taking into consideration, if applicable, the amount of any redeemed or non-redeemed capital, the par value of the shares and the rights attached to shares of different classes.”

Article 15 of the Memorandum and Articles of Association

“Shareholders shall only be committed for up to the amount of the capital represented by each share. Any call for payment over and above such amount is prohibited.”

Article 16 of the Memorandum and Articles of Association

“All shares are indivisible with regard to the Company. Joint shareholders must be represented by one single person in all dealings with the Company.”

Article 17 of the Memorandum and Articles of Association

“Ownership of a single share shall entail acceptance of the Company’s Memorandum and Articles of Association and of all the resolutions adopted by the shareholders at General Meetings.

Whenever several shares need to be held in order to exercise a specific right, in particular for the purpose of the exchange or allocation of shares in the course of a capital reduction, capital increase through the capitalisation of reserves, merger or any other transaction, single shares or an insufficient number of shares shall not give their holders any rights with regard to the Company. The shareholders must personally arrange to group together or to purchase or sell the requisite number of shares or voting rights.”

Article 18 of the Memorandum and Articles of Association

“A shareholder’s heirs or creditors shall not be entitled to request that the Company’s assets and property be placed under seal or to request the division or sale by auction thereof, or interfere in any way in the management of the Company, on any grounds whatsoever.

When exercising their rights they should refer to the corporate statements of assets and liabilities, and the resolutions adopted by shareholders at General Meetings.”

Article 37 of the Memorandum and Articles of Association

«At all General Meetings the quorum shall be calculated on the basis of all shares comprising the capital, other than those that have been stripped of voting rights pursuant to the laws or regulations.

Each shareholder shall have a number of votes corresponding to the number of shares he holds or represents on which no payments are outstanding, and the length or method of ownership of the shares shall not grant any shareholder double or multiple voting rights in any respect whatsoever.”

Article 45 of the Memorandum and Articles of Association

1. *“The Company’s net revenue, recorded in the annual statement of assets and liabilities, less overheads and other expenditure incurred by the Company, including all depreciation and provisions, shall constitute net profit.*

Firstly, at least five per cent of the profit, less, where applicable, any losses carried forward, shall be deducted to form the reserve fund prescribed by law. This deduction shall cease to be compulsory when the reserve fund reaches one tenth of the capital and resume if the reserve falls below this amount.

The distributable profit is comprised of the net profit of the financial year, less any losses carried forward together with any amounts to be posted to reserves pursuant to the law, plus any retained earnings.

The amount needed to pay shareholders, by way of an initial dividend, six per cent of the amounts paid-up on their shares that have not been redeemed and six per cent of the amounts, where applicable, of premiums on shares issued for cash recorded in an “additional paid-in capital” account shall be deducted from the distributable profit. The shareholders are not entitled to claim these amounts from the profit of subsequent years if the profit of a given year does not permit such payment.

From the available surplus, the General Meeting may, at the proposal of the Board of Directors, appropriate a portion of said distributable profit that it will advise for the creation

of contingency funds and general or special reserves, of any type whatsoever or even simply as retained earnings.

The balance constitutes a mass that is split between the shares, in proportion to the respective portion of the capital that they represent.

Moreover, the shareholders at a General Meeting may decide to distribute sums deducted from the reserves available to them: in such a case, the resolution adopted must expressly state the reserve funds from which the sums will be deducted.

Save in the event of a capital reduction, no dividend may be paid to shareholders if the Company's net assets are lower than the amount of the Company's capital plus the reserves that cannot be distributed pursuant to the law or the Memorandum and Articles of Association.

If the Extraordinary General Meeting decides to redeem shares, this transaction must be carried out in accordance with the procedures and provisions prescribed by law. Once the capital shares have been fully redeemed, they will be replaced by dividend shares and the holders of these shares will have all of the rights attached to non-redeemed shares of the same type as regards their entitlement to a share of the profit and the Company's assets and their right to vote at General Meetings other than the right to the initial 6% dividend provided for above and repayment in the event of the Company's liquidation."

2. "Any shareholder who can prove, at the end of a financial year, that he has held registered shares for at least two years and still holds them on the date of payment of the dividend for the financial year will be entitled to an increased dividend on such registered shares corresponding to 10% of the dividend paid on other shares, including when the dividend is paid in the form of new shares. The increased dividend will be rounded down to the next euro cent if need be.

Similarly, any shareholder who can prove, at the end of a financial year, that he has held registered shares for at least two years and still holds them on the date of completion of a capital increase by the capitalisation of reserves, profit or premiums resulting in a distribution of bonus shares will be entitled to an increase in the bonus shares allocated to such shareholder corresponding to 10%, rounded down to the next lowest whole number of shares if need be.

The number of shares held by any given shareholder that are eligible for such increases may not exceed 0.5% of the capital.

The provisions of this paragraph 2 will apply for the first time to the payment of dividends for the financial year ended 31 December 2015, resolved by the shareholders at the Ordinary General Meeting to be held in 2016."

6.1.2.5. Amendment to shareholder rights (Article 39 of the Memorandum and Articles of Association)

Please see Section 6.1.2.6 on page 268 of this Universal Registration Document.

6.1.2.6. General Meetings (Articles 31 to 42 of the Memorandum and Articles of Association)

Article 31 of the Memorandum and Articles of Association

"A General Meeting shall be held once a year within the first half of the year, although this time period may be extended by court order.

General Meetings held in special session may also be called whenever the Board considers this appropriate.

A General Meeting may also be called, where necessary, by the persons allowed to do so by law.

General Meetings shall be convened in accordance with the terms and conditions laid down by law.

A notice of the meeting shall be published in the official gazette of statutory legal notices (Bulletin des Annonces Légales Obligatoires - BALO), at least 35 days before the date of the General Meeting. The notice shall contain all the information required by law.

Requests to add draft resolutions to the agenda may be submitted between the date of publication of the notice in the BALO and the 25th day before the date of the General Meeting, but cannot be submitted more than 20 days after the date of publication of the notice in the BALO.

A notice of the meeting shall be published in a gazette authorised to publish legal notices in the département in which the registered office is located and, if the Company shares are admitted to trading on a regulated market or if some of the shares are not registered shares, in the official gazette of statutory legal notices (Bulletin des annonces légales obligatoires - BALO), at least 15 days before the date of the General Meeting when convened the first time, or at least 10 days before the date of the General Meeting if it has been convened a second time.

Notices of meetings shall include all the information required by the law and regulations.

Beneficial owners of shares shall be invited to attend both Ordinary and Extraordinary General Meetings."

Article 32 of the Memorandum and Articles of Association

"General Meetings shall comprise all shareholders, irrespective of the number of shares they hold, provided all amounts due thereon have been fully paid up and also provided they have not been stripped of their voting rights.

General Meetings shall be held and transact business in accordance with the provisions of applicable laws and regulations. In particular, all shareholders are allowed, if decided by the Board of Directors and published in the notice prior to the

General Meeting and/or in the notice of call to meeting, to vote at the said General Meeting using any means of electronic communication allowing the shareholder to be identified, in accordance with the provisions and procedures set out in applicable laws and regulations.

All shareholders are entitled to attend General Meetings, in person or through a proxy, provided that they produce proof of their identity and title to their securities, in accordance with the provisions of applicable laws and regulations.

Shareholders may vote using a ballot form in accordance with the provisions and procedures set out in applicable laws and regulations. In particular, all shareholders are entitled to submit ballot forms prior to General Meetings, either in paper form or, if decided by the Board of Directors and published in the notice prior to the General Meeting and/or in the notice of call to meeting, by a method of electronic communication.

Shareholders may vote through a proxy in accordance with the provisions and procedures set out in applicable laws and regulations. In particular, all shareholders are entitled to submit proxy forms prior to General Meetings in paper form or by a method of electronic communication. Whenever a shareholder submits a proxy form without designating the proxy holder, the Chairman of the General Meeting shall vote in favour of all resolutions presented or approved by the Board of Directors, and against all other resolutions. In order to vote differently, the shareholder must designate a proxy holder who must agree to vote in the manner stated on the proxy form.

In the event a shareholder attends a meeting in person, his proxy or ballot form shall be cancelled, provided the shareholder has expressly requested an admission pass at least two business days before the date of the meeting.

Ballot and proxy forms may only be submitted electronically if said forms contain an electronic signature, resulting from a reliable process identifying the shareholder and guaranteeing his/her relationship with the online form to which the signature is affixed. Votes cast prior to a General Meeting using this electronic procedure and the relevant acknowledgement of receipt will be treated as irrevocable, enforceable written documents. However, the appointment of a proxy may be revoked using the same procedure as that required for the appointment of a proxy.

If securities are transferred prior to midnight Paris time on the second working day preceding the General Meeting, the Company shall cancel the proxy or vote cast prior to the General Meeting or amend them accordingly, as applicable.

Shareholders that are legal entities may be represented at any General Meeting by one of their partners, directors or employees, who may but need not be a shareholder in a

personal capacity, provided they can produce proof of their office or position.

Joint shareholders shall be represented at General Meetings by one of them, or by a single representative. In the event of any disagreement, the representative shall be appointed by the court following an application by the first joint shareholder to act.

The voting rights attached to a share shall belong to the beneficial owner at both Ordinary General Meetings and Extraordinary General Meetings.”

Article 33 of the Memorandum and Articles of Association

“General Meetings that have been duly and properly convened and formed shall represent all the shareholders.”

Article 34 of the Memorandum and Articles of Association

“General Meetings shall be chaired by the Chairman of the Board of Directors or, in his absence or if temporarily or permanently precluded, by the Lead Independent Director if one has been appointed. Failing that, the meeting shall be chaired by a Director designated by the Board, if the meeting has been called by the Board.

The two shareholders holding the largest number of shares, both personally and as representatives, who are present and accept such duties shall act as scrutineers.

The officers of the meeting shall designate a secretary, who may but need not be a member of the General Meeting.

An attendance sheet shall be drawn up, which shall contain the information required by law. The sheet shall be initialled by the shareholders present and all representatives and shall be certified accurate by the officers of the General Meeting; it shall be kept at the registered office and must be produced whenever requested.”

Article 35 of the Memorandum and Articles of Association

“The agenda of the General Meeting shall be determined by the person convening the meeting.

However, one or more shareholders representing at least the proportion of the capital provided by the laws and regulations may request the addition of draft resolutions to the agenda. So that they can exercise this right, shareholders must be provided with the necessary information in accordance with the procedures and within the time period laid down by law.

Only items appearing on the agenda may be discussed at General Meetings. However, shareholders may remove one or several Directors from office at any General Meeting and replace them.”

Article 36 of the Memorandum and Articles of Association

“Ordinary General Meetings shall only validly transact business when called the first time if the shareholders present or represented hold at least one fifth of the shares with voting rights. When the meeting is called a second time, no quorum requirements shall apply.

Annual Ordinary General Meetings and Ordinary General Meetings held in special session shall adopt resolutions by a majority of the votes held by the shareholders present or represented.

Unless the law provides otherwise, Extraordinary General Meetings shall only validly transact business if the shareholders present or represented hold at least one quarter of the shares with voting rights when the meeting is called the first time, and at least one fifth of the shares with voting rights when the meeting is called a second time. Failing that, the meeting can be postponed to a later date, provided this is no more than two months after the date scheduled when called a second time.

Extraordinary General Meetings shall adopt resolutions by a majority of two thirds of the votes held by the shareholders present or represented, unless the law provides otherwise.

Special meetings shall only validly transact business if the shareholders present or represented hold at least one third of the shares with voting rights whose rights are to be modified at the meeting when the meeting is called the first time, and one fifth of such shares when the meeting is called a second time. Failing that, the meeting can be postponed to a later date, provided this is no more than two months after the date scheduled when called a second time.

Special meetings shall adopt resolutions subject to the same terms and conditions as Extraordinary General Meetings.”

Article 37 of the Memorandum and Articles of Association

Please see Section 6.1.2.4 on page 265 of this Universal Registration Document.

Article 38 of the Memorandum and Articles of Association

“The report by the Board of Directors on the Company’s business and the reports of the Statutory Auditors shall be presented to shareholders at Ordinary General Meetings.

Ordinary General Meetings have remit to discuss, approve or modify the financial statements and declare dividends. The resolution approving the balance sheet and financial statements can only be adopted after the presentation of a report by the Statutory Auditors, failing which the resolution shall be invalid.

Ordinary General Meetings vote on the special report prepared by the Statutory Auditors as required by law.

They appoint the Directors and Statutory Auditors.

They shall set the overall amount of the sums to be allocated among the Directors as remuneration for their duties.

They authorise the Company to trade in Company shares on the financial markets in accordance with the terms and conditions and within the limits laid down by law.

They vote on any other proposals included in the agenda that are not within the remit of the Extraordinary General Meeting.”

Article 39 of the Memorandum and Articles of Association

“The Extraordinary General Meeting has sole remit to amend the Memorandum and Articles of Association. It is not, however, entitled to increase the shareholders’ commitments, subject to any transactions resulting from a duly and properly completed reverse stock split.

The Extraordinary General Meeting shall not be entitled to change the nationality of the Company, unless the country of which the Company is planning to adopt the nationality, and to which it wishes to transfer its registered office, has entered into a special agreement with France allowing such operations and maintaining the Company’s legal personality.

Any resolution adopted at a General Meeting to modify the rights relating to a specific class of shares shall only be final after it has been approved at a Special Meeting of the shareholders of the said class.”

Article 40 of the Memorandum and Articles of Association

“With effect from the date an Ordinary or Extraordinary General Meeting is called, and for at least fifteen days prior to the date of the meeting, all the shareholders shall be entitled to consult the documents and information listed by law, at the registered office. Shareholders shall only be entitled to consult the report by the Statutory Auditors during the aforesaid fifteen-day period.

Any holder of registered shares or any shareholder who has produced proof that his shares have been registered in an account in accordance with Article 32 of the Memorandum and Articles of Association may submit a request, between the date the General Meeting is called and the fifth day before the meeting, inclusive, to be posted the documents and information listed by law.

This right to consult includes the right to make copies, with the exception of the statement of assets and liabilities.”

Article 41 of the Memorandum and Articles of Association

“Proceedings at General Meetings shall be recorded in minutes kept in a special minute book as required by law, and shall be signed by the officers of each meeting.

Copies of or excerpts from the minutes required as evidence in court, or for any other reason, shall be certified by the Chairman of the Board of Directors, a Director holding the office of Chief Executive Officer or the secretary of the General Meeting.

Following the Company's dissolution and during its liquidation, such copies or experts shall be certified by the liquidators or any one of them."

Article 42 of the Memorandum and Articles of Association

"Resolutions adopted in accordance with the applicable laws and the Memorandum and Articles of Association shall be binding on all shareholders, including those who were absent or voted against the resolution."

6.1.2.7. Shareholding thresholds

The provisions of Article L. 233-7 of the French Commercial Code, under which the crossing of thresholds corresponding to one twentieth, one tenth, three twentieths, one fifth, one quarter, three tenths, one third, one half, two thirds, eighteen twentieths or nineteen twentieths of the capital or voting rights, either upwards or downwards, must be disclosed, are supplemented by Article 13 of the Memorandum and Articles of Association:

"Without prejudice to Article L. 233-7 of the French Commercial Code, any person who directly or indirectly holds a fraction of the Company's capital that is equal to 1% or any multiple of this percentage below 5% is required to report this to the Company within five days of crossing a threshold either upwards or downwards."

The sanctions applicable in the event of non-disclosure are set out in Article L. 233-14 of the French Commercial Code.

6.1.2.8. Clauses in the Memorandum and Articles of Association that may affect control of the Company

None.

6.1.2.9. Changes to the capital (Articles 8 and 39 of the Memorandum and Articles of Association)

Article 8 of the Memorandum and Articles of Association

"Voting on a proposal by the Board of Directors, the shareholders may adopt a resolution at an Extraordinary General Meeting to increase or reduce the capital by any means allowed by the applicable laws."

In the event of a reduction of the capital, the shareholders may resolve that shareholders must sell or purchase a sufficient number of existing shares to enable them to exchange the existing shares for new shares, with or without payment or receipt of the cash balance, even when the capital reduction is not decided due to the existence of losses."

Article 39 of the Memorandum and Articles of Association

Please see Section 6.1.2.6 on page 268 of this Universal Registration Document.

6.2. Share capital

6.2.1. PROVISIONS OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION CONCERNING CHANGES IN CAPITAL AND VOTING RIGHTS

Please see Section 6.1.2.6 on pages 266 *et seq.* and Section 6.1.2.9 on page 269 of this Universal Registration Document.

6.2.2. ISSUED CAPITAL AND UNISSUED AUTHORISED CAPITAL

6.2.2.1. Issued capital

As at 31 December 2021, the Company's capital was €1,234,003.81, divided into 32,052,047 shares with a par value of €0.0385 each, all of the same class and enjoying the same rights, fully subscribed and fully paid-up.

As at 31 March 2022, the Company's capital was €1,242,519.01 divided into 32,273,221 shares with a par value of €0.0385 each, all of the same class and enjoying the same rights, fully subscribed and fully paid-up. This change in the share capital was due to the exercise of redeemable share subscription and/or purchase warrants between 1 January 2022 and 31 March 2022.

6.2.2.2. Unissued authorised capital

Summary of the authorisations that are currently valid or that expired during the 2021 financial year granted to the Board of Directors by the General Meeting, to allow it to increase or reduce the capital, buy back the Company's own shares or allot bonus performance shares.

The table below shows, in particular pursuant to the provisions of Article L. 225-37-4 of the French Commercial Code, the currently valid deliberations as well as those that expired during the 2021 financial year, granted to the Board of Directors by the General Meeting, to allow it to increase or reduce the capital, buy back the Company's own shares or allot bonus performance shares, and the extent to which they were used by the Board of Directors during the 2021 financial year. It also summarises the main features of the delegations and authorisations put to the General Meeting of 25 May 2022 (see additional information in Section 7.2 on pages 297 *et seq.* of this Universal Registration Document).

Nature of authorisation	Date of General Meeting (resolution number)	Period (in months)	Maximum amount authorised
INCREASE OF CAPITAL			
Issue with maintenance of preferential subscription rights	25/05/2021 (16)	26	30% of capital, €200 million in par value for debt securities
Increase in the amount of issues with maintenance of preferential subscription rights	25/05/2021 (17)	26	15% of the initial issue (maximum amount set against the cap of 30% of the capital (for equity securities) and €200 million (for debt securities) provided for by the 16 th resolution of the General Meeting of 25 May 2021)
Issue with waiver of preferential subscription rights by means of an offering pursuant to Article L. 411-2 (1) of the French Monetary and Financial Code of debt securities conferring equity rights	25/05/2021 (18)	26	€200 million in par value for debt securities, 10% of the capital (maximum amount set against the cap of 30% of the capital (for equity securities) and €200 million (for debt securities) provided for by the 16 th resolution of the General Meeting of 25 May 2021)
Issue in consideration for contributions in kind	25/05/2021 (19)	26	10 % of the capital (maximum amount set against the cap of 30% of the capital (for equity securities) and €200 million (for debt securities) provided for by the 16 th resolution of the General Meeting of 25 May 2021 and the cap of 10% of the capital (for equity securities) provided for in the 18 th resolution of the General Meeting of 25 May 2021)
Issue with waiver of preferential subscription rights in favour of members of a company savings plan or a group savings plan	25/05/2021 (20)	26	1.5% of the capital (maximum amount set against the cap of 30% of the capital (for equity securities) and €200 million (for debt securities) provided for by the 16 th resolution of the General Meeting of 25 May 2021 and the cap of 10% of the capital (for equity securities) provided for in the 18 th resolution of the General Meeting of 25 May 2021)
Capital increase by the capitalisation of premiums, reserves, profit or other sums eligible for capitalisation	25/05/2021 (21)	26	Total amount that can be capitalised as at the date of the Board of Directors' decision
Issue of redeemable warrants to subscribe for and/or purchase shares, with the waiver of preferential subscription rights in favour of employees and corporate officers of the Company and its subsidiaries	n/a	n/a	n/a
Issue in consideration for contributions in kind	29/05/2020 (14)	26 (expired on 25/05/2021)	10% of the capital (maximum amount set against the cap of 30% of the capital (for equity securities) and €200 million (for debt securities) provided for by the 15 th resolution of the General Meeting of 27 May 2019)
Issue with waiver of preferential subscription rights in favour of members of a company savings plan or a group savings plan	29/05/2020 (15)	26 (expired on 25/05/2021)	0.75% of the capital (maximum amount set against the cap of 30% of the capital (for equity securities) and €200 million (for debt securities) provided for in the 15 th resolution of the General Meeting of 27 May 2019, the aggregate par value of the capital increases that may result from this delegation and the delegation granted to the Board of Directors by the 17 th resolution approved by the General Meeting of 27 May 2019 may not exceed 0.75% of the capital on the date of the issuance decision)
Issue with maintenance of preferential subscription rights	27/05/2019 (15)	26 (expired on 25/05/2021)	30% of capital, €200 million in par value for debt securities
Increase in the amount of issues with maintenance of preferential subscription rights	27/05/2019 (16)	26 (expired on 25/05/2021)	15% of the initial issue (maximum amount set against the cap of 30% of the capital (for equity securities) and €200 million (for debt securities) provided for by the 15 th resolution of the General Meeting of 27 May 2019)
Issue with waiver of preferential subscription rights in favour of members of a company savings plan or a group savings plan	27/05/2019 (17)	26 (expired on 25/05/2021)	0.75% of the capital (maximum amount set against the cap of 30% of the capital (for equity securities) and €200 million (for debt securities) provided for by the 15 th resolution of the General Meeting of 27 May 2019)
Capital increase by the capitalisation of premiums, reserves, profit or other sums eligible for capitalisation	27/05/2019 (18)	26 (expired on 25/05/2021)	Total amount that can be capitalised as at the date of the Board of Directors' decision

Valid authorisations

(and authorisations that expired during the 2021 financial year)

Authorisations proposed to the General Meeting of 29/05/2022

Methods for determining the issue price	Use during the financial year	Resolution number	Period (in months)	Maximum amount authorised
The Board of Directors is free to set it as it sees fit	Not applicable	n/a	n/a	n/a
Issue price of shares or securities offered with maintenance of preferential subscription rights	Not applicable	n/a	n/a	n/a
Decision by the Board of Directors that the amount due to the Company for each of the shares issued under this delegation be at least equal to the weighted average price of the Company's shares on the Euronext Paris regulated market during the last three trading sessions preceding the start of the offer less any discount, which may not exceed 10%, after correction, if any, of this amount to take into account differences in the dates on which the dividend and other rights accrue	Not applicable	n/a	n/a	n/a
Decision by the Board of Directors based on a report by the Contribution Auditor	Not applicable	n/a	n/a	n/a
Decision by the Board of Directors in accordance with the provisions of Articles L. 3332-18 <i>et seq.</i> of the French Labour Code and may not be less than 70% of the average opening price of the Company's shares on the Euronext Paris market in the 20 trading days prior to the date of the Board of Directors' decision setting the date on which the subscription period opens.	Not applicable	15	26	1.5% of the capital (maximum amount set against the cap of 30% of the capital (for equity securities) and €200 million (for debt securities) provided for by the 16 th resolution of the General Meeting of 25 May 2021 and the cap of 10% of the capital (for equity securities) provided for in the 18 th resolution of the General Meeting of 25 May 2021)
n/a	Not applicable	n/a	n/a	n/a
n/a	n/a	14	18	3.5% of the capital
Decision by the Board of Directors based on a report by the Contribution Auditor	Not applicable	n/a	n/a	n/a
Decision by the Board of Directors in accordance with the provisions of Articles L. 3332-18 <i>et seq.</i> of the French Labour Code and may not be less than 70% of the average opening price of the Company's shares on the Euronext Paris market in the 20 trading days prior to the date of the Board of Directors' decision setting the date on which the subscription period opens.	Issue of 197,386 shares to the Albioma FCPE (see additional information in section 6.3.4, on page 279 of this Universal Registration Document)	n/a	n/a	n/a
The Board of Directors is free to set it as it sees fit	Not applicable	n/a	n/a	n/a
Issue price of shares or securities offered with maintenance of preferential subscription rights	Not applicable	n/a	n/a	n/a
Decision by the Board of Directors in accordance with the provisions of Articles L. 3332-18 <i>et seq.</i> of the French Labour Code and may not be less than 80% of the average opening price of the Company's shares on the Euronext Paris market in the 20 trading days prior to the date of the Board of Directors' decision setting the date on which the subscription period opens.	Not applicable	n/a	n/a	n/a
n/a	Not applicable	n/a	n/a	n/a

Nature of authorisation	Date of General Meeting (resolution number)	Period (in months)	Maximum amount authorised
COMPANY SHARE BUYBACKS			
Grant of authorisation to the Board of Directors to allow the Company to buy back its own shares within the framework of a share buyback programme	25/05/2021 (14)	18	10% of the capital on the date of purchase (5% of the capital in the case of shares that may be bought with the intention of subsequently delivering them in payment or exchange as part of an acquisition) Maximum total amount of purchases, net of costs: €35 million Maximum purchase price per share: € 60
Grant of authorisation to the Board of Directors to reduce the Company's capital by cancelling shares purchased by the Company within the framework of a share buyback programme	25/05/2021 (15)	18	10% of the capital per 24-month period
Grant of authorisation to the Board of Directors to allow the Company to buy back its own shares within the framework of a share buyback programme	29/05/2020 (11)	18 (expired on 25/05/2021)	10% of the capital on the date of purchase (5% of the capital in the case of shares that may be bought with the intention of subsequently delivering them in payment or exchange as part of an acquisition) Maximum total amount of purchases, net of costs: €35 million Maximum purchase price per share: € 45
Grant of authorisation to the Board of Directors to reduce the Company's capital by cancelling shares purchased by the Company within the framework of a share buyback programme	29/05/2020(12)	18 (expired on 25/05/2021)	10% of the capital per 24-month period
SHARE SUBSCRIPTION AND PURCHASE OPTIONS AND BONUS PERFORMANCE SHARES			
Grant of authorisation to the Board of Directors to allot existing bonus performance shares to employees and corporate officers of the Company and related companies	29/05/2020 (13)	38	846,000 shares
Grant of authorisation to the Board of Directors to allot existing bonus performance shares to employees and corporate officers of the Company and related companies	30/05/2018 (15)	38 (expired on 30 July 2021)	919,000 shares

Valid authorisations (and authorisations that expired during the 2021 financial year)		Authorisations proposed to the General Meeting of 29/05/2020		
Methods for determining the issue price	Use during the financial year	Resolution number	Period (in months)	Maximum amount authorised
n/a	See the additional information in section 6.3.6.2, on page 279 of this Universal Registration Document	12	18	10% of the capital on the date of purchase (5% of the capital in the case of shares that may be bought with the intention of subsequently delivering them in payment or exchange as part of an acquisition) Maximum total amount of purchases, net of costs: €35 million Maximum purchase price per share: € 60
n/a	Not applicable	13	18	10% of the capital per 24-month period
n/a	See the additional information in section 6.3.6.2, on page 279 of this Universal Registration Document	n/a	n/a	n/a
n/a	Not applicable	n/a	n/a	n/a
n/a	See the additional information in section 6.4.3.1, on page 285 of this Universal Registration Document	n/a	n/a	n/a
n/a	Not applicable	n/a	n/a	n/a

Potential capital

The table below shows the potential capital on 31 December 2021 and on 31 March 2022.

	31/12/2021		31/03/2022	
	Potential number of shares	Potential par value (in euros)	Potential number of shares	Potential par value (in euros)
Issued capital	32,052,047	1,234,003.81	32,273,221	1,242,519.01
Authorised unissued capital	971,890	37,417.77	698,483	26,891.60
of which, resulting from exercise of stock options	-	-	-	-
of which, resulting from bonus performance shares allotted	-	-	-	-
of which, resulting from redeemable share subscription and/or purchase warrants (BSAAR warrants)	971,890	37,417.77	698,483	26,891.60
Total	33,023,937	1,271,421.57	32,971,704	1,269,410.60

Seeing that only treasury shares may be used for the current bonus performance share plans (see additional information in Section 6.4.3.1 on pages 285 *et seq.* of this Universal Registration Document), the potential capital as at 31 December 2021 and as at 31 March 2022 was solely linked to the existence of the redeemable share subscription and/or purchase warrant (“BSAAR Warrants”) plan put in place at the end of the 2018 financial year.

Further information on the redeemable share subscription and/or purchase warrant (“BSAAR Warrants”) plan put in place in 2018

Acting upon the authority granted to it by the General Meeting of 30 May 2018, the Board of Directors, at its meeting of 8 November 2018, decided to issue a maximum of 1,071,731 redeemable share subscription and/or purchase warrants (“BSAAR Warrants”), with the waiver of the preferential subscription rights of shareholders, in favour of 43 eligible individuals chosen from among the employees and executive corporate officers of the Company and its subsidiaries (including the Chief Executive Officer of the Company).

The main aim of the issue was to associate the Group’s key managers to the Group’s medium-term growth and performance. The offering responds to these managers’ wish to invest indirectly, without any contribution from the Company, a considerable proportion of their personal savings in Albioma shares in order to support the roll-out of the Company strategy via a financial product enabling an optimal alignment of the interests of the Group’s senior managers with those of its shareholders.

The issue was a resounding success. With a subscription rate of over 140%, the transaction resulted in the issue of 1,071,731 BSAAR warrants of €0.90 each (giving issue proceeds of €964,557.90) between 31 subscribers including the Company’s Chief Executive Officer, who subscribed for

110,650 BSAAR warrants. The Company’s Board of Directors appointed Accuracy as appraiser, commissioned to give an independent opinion on the unit issue price of the BSAAR warrants. Accuracy considered the issue price to be reasonable, stating: “*The estimated value of each BSAAR warrant ranges from €0.62 to €1.16. On this basis, the price of €0.90 considered by the Company for the issue of the BSAAR warrants seems reasonable to us.*” Accuracy’s full report on its appraisal of the BSAAR warrants can be found on the Company’s website (www.albioma.com).

The BSAAR warrants entitle their holders to subscribe for new shares and/or purchase existing Albioma shares; the Company may, at its discretion, allot new shares or existing shares or a combination of new and existing shares. A request will be made to admit the BSAAR warrants for trading on the Euronext Growth market. This request will be made no sooner than 6 December 2021 (save exceptions), the date from which the BSAAR warrants may be exercised. Until their admission for trading, the BSAAR warrants may neither be transferred nor exercised (save exceptions). Subject to the applicable adjustment rules, one BSAAR warrant will entitle its holder, at the Company’s discretion, to subscribe for a new or existing share, in consideration of payment of the exercise price. Said price was set at €20.90, i.e. a price equal to 120% of the average closing prices quoted for the Company’s shares over a period of 20 consecutive trading days preceding 8 November 2018. The BSAAR warrants may be exercised at any time as from their admission for trading on the Euronext Growth market, scheduled for 6 December 2021, until 4 December 2024, subject to the Board of Directors’ right to temporarily suspend the exercise period. After 4 December 2024, the BSAAR warrants shall lapse by operation of law and, consequently, may not be exercised by their holders.

The maximum number of shares that could result from the exercise of the warrants (in the event that all the BSAAR warrants are exercised and that all the shares allotted upon

exercise of the BSAAR warrants are new shares, without adjustments) was 1,071,731, representing approximately 3.34% of the Company's capital at 31 December 2021, and 3.24% of the Company's capital post exercise of the BSAAR warrants. In this case, the capital increase carried out would have a par value of €41,261.6435. Exercise of all the BSAAR warrants would represent proceeds from the issue of at most €22,399,177.90.

Since the start of their exercise period on 6 December 2021, the BSAAR have been admitted to trading on Euronext Growth. At 31 December 2021, 99,841 BSAAR had been exercised representing exercise proceeds of €2,086,676.90. All the exercised BSAAR led to the delivery of an equivalent number of treasury shares held by the Company.

The terms and conditions of the BSAAR warrants thus issued are available on the Company's website (www.albioma.com). Since the offer did not require the drawing up of a prospectus subject to the approval of the AMF (*Autorité des Marchés Financiers* - French Financial Markets Authority), its launch resulted, pursuant to the applicable legal and regulatory provisions, in the publication of a press release on 8 November 2018, which is available on the Company's website (www.albioma.com).

Option-based mechanisms that could impact the capital of the Company or of its subsidiaries

Not applicable (see additional information in Section 6.2.2.2 on pages 274 *et seq.* of this Universal Registration Document on the redeemable share subscription and/or purchase warrant ("BSAAR Warrants") plan put in place in 2018).

Non-capital securities

On 7 December 2021, the Group arranged the private placement of a Sustainability-Linked Euro PP for €100 million, in two €50 million tranches with respective maturities of seven and eight years and annual coupons of 2.85% for the former and 3% for the latter, in particular to refinance the Euro PP issued in 2014 that matured on 8 December 2020. The transaction resulted in the issue at par and the admission to trading on Euronext Access of 100,000 bonds with a face value of €100,000.

The Group wished to tie some of the financial terms to the achievement of a sustainability performance target measured by a key indicator, namely the proportion of energy production from renewable sources out of the Group's overall energy production. Albioma published a framework document¹ in line with the Sustainability-Linked Bond Principles issued by the International Capital Market Association, on which a *Second Party Opinion*² was issued.

6.2.3. CHANGES IN CAPITAL DURING THE LAST FIVE YEARS

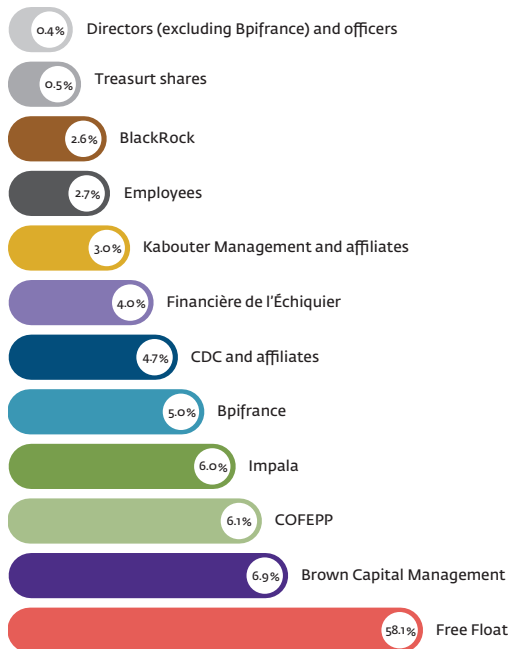
Date	Transaction	Par value of the share after the transaction (in euros)	Change in par value of the capital (in euros)	Amount of the capital after the transaction	Number of shares created or cancelled	Number of shares after the transaction
31/12/2016	-	0.0385	-	1,163,363.43	-	30,217,232
10/07/2017	Payment in shares of 50% of the dividend for the 2016 financial year	0.0385	15,541.60	1,178,905.04	403,678	30,620,910
10/07/2018	Payment in shares of 50% of the dividend for the 2017 financial year	0.0385	11,924.76	1,190,829.79	309,734	30,930,644
10/07/2019	Payment in shares of 50% of the dividend for the 2018 financial year	0.0385	15,010.73	1,205,840.52	389,889	31,320,533
10/07/2020	Payment in shares of 50% of the dividend for the 2019 financial year	0.0385	10,835.83	1,216,676.35	281,450	31,601,983
30/10/2020	Capital increase reserved for members of the group savings plan	0.0385	1,537.19	1,218,213.54	39,927	31,641,910
09/07/2021	Payment in shares of 50% of the dividend for the 2020 financial year	0.0385	8,190.91	1,226,404.45	212,751	31,854,661
22/07/2021	Capital increase reserved for members of the group savings plan	0.0385	7,599.36	1,234,003.81	197,386	32,052,047

1. The Sustainability-Linked Financing Framework can be found on the Company's website, www.albioma.com.

2. Drawn up by Vigeo Eiris and available on the Company's website, www.albioma.com.

6.3. Shareholders

6.3.1. SHAREHOLDER STRUCTURE AS AT 31 MARCH 2022



6.3.2. CONTROL OF THE COMPANY, CROSSING OF STATUTORY DISCLOSURE THRESHOLDS, SHAREHOLDERS HOLDING MORE THAN 5% OF THE CAPITAL OR THE VOTING RIGHTS

6.3.2.1. Control of the company

The Company ceased to be controlled on 19 June 2015, and this position had not changed on 31 December 2021 or on the date of filing of this Universal Registration Document.

6.3.2.2. Crossing of statutory disclosure thresholds, shareholders holding more than 5% of the capital or the voting rights

Situation as at 31 December 2021

To the best of the Company's knowledge, the only shareholders holding more than 5% of the capital or voting rights as at 31 December 2021 were:

- Brown Capital Management, acting on behalf of funds and clients it manages, which owns 2,232,815 shares representing 6.97% of the capital and 7.05% of the voting rights.
- Compagnie Financière Européenne de Prises de Participation (COFEPP), holding 1,956,831 shares representing 6.11% of the capital and 6.18% of the voting rights;
- Impala SAS, which owns 1,941,154 shares representing 6.06% of the capital and 6.13% of the voting rights;
- Caisse des Dépôts et Consignations (indirectly through EPIC Bpifrance, which in turn owns, through the ETI 2020 fund, which is managed by Bpifrance Investissement, 1,624,791 shares representing 5.07% of the capital and 5.13% of the voting rights, CDC Croissance and its other affiliates), owning 3,153,176 shares representing 9.84% of the capital and 9.96% of the voting rights.

This situation is the result in particular of the crossing of the capital or voting rights thresholds referred to in Article L. 233-7 of the French Commercial Code, which were notified to the Company during the 2021 financial year:

- On 25 February 2021, Kabouter Management, acting on behalf of the funds and clients it manages, disclosed that on 19 February 2021 it had gone over the 5% capital and voting rights disclosure thresholds and that, on behalf of its clients and funds, it held 1,596,011 shares representing 5.04% of the capital and 5.11% of the voting rights;
- On 26 February 2021, Caisse des Dépôts et Consignations (CDC) disclosed that on 22 February 2021, the 10% capital and voting rights thresholds had been exceeded and that it indirectly held, via CDC Croissance, Bpifrance Investissement (on behalf of the ETI 2020 fund it manages) and CNP Assurances, 3,165,365 shares representing 10.004% of the capital and 10.14% of the voting rights;

- On 16 March 2021, Caisse des Dépôts et Consignations (CDC) disclosed that on 11 March 2021, it had fallen under the 10% capital and voting rights thresholds and that it indirectly held, via CDC Croissance, Bpifrance Investissement (on behalf of the ETI 2020 fund it manages) and CNP Assurances, 3,133,284 shares representing 9.90% of the capital and 10.04% of the voting rights;
- On 8 April 2021, Kabouter International Opportunities Fund II disclosed that on 1 April 2021 it had on its own gone over the 5% capital and voting rights thresholds and that on its own it held 1,583,496 shares representing 5.004% of the capital and 5.07% of the voting rights;
- On 12 July 2021, Kabouter International Opportunities Fund II disclosed that on 9 July 2021 it had on its own gone under the 5% capital and voting rights thresholds and that on its own it held 1,583,496 shares representing 4.97% of the capital and 5.03% of the voting rights;
- On 15 July 2021, Kabouter International Opportunities Fund II disclosed that on 12 July 2021 it had on its own gone over the 5% capital and voting rights thresholds and that on its own it held 1,602,931 shares representing 5.03% of the capital and 5.09% of the voting rights;
- On 7 September 2021, BlackRock, acting on behalf of the funds and clients it manages, disclosed that on 3 September 2021 it had gone over the 5% capital and voting rights disclosure thresholds and that, on behalf of its clients and funds, it held 1,609,175 shares representing 5.02% of the capital and 5.08% of the voting rights;
- On 8 September 2021, BlackRock, acting on behalf of the funds and clients it manages, disclosed that on 6 September 2021 it had gone under the 5% capital and voting rights disclosure thresholds and that, on behalf of its clients and funds, it held 1,531,825 shares representing 4.78% of the capital and 4.83% of the voting rights;
- On 15 October 2021, Kabouter Management, acting on behalf of the funds and clients it manages, disclosed that on 14 October 2021 it had gone under the 5% capital and voting rights disclosure thresholds and that, on behalf of its clients and funds, it held 1,564,560 shares representing 4.88% of the capital and 4.94% of the voting rights;
- On 9 December 2021, Brown Capital Management, acting on behalf of the funds and clients it manages, disclosed, as an adjustment, that on 11 January 2021 it had gone over the 5% capital and voting rights disclosure thresholds and that on that date it held, on behalf of said clients and funds, 1,611,995 shares representing 5.09% of the capital and 5.16% of the voting rights.

In application of Article L. 228-2 of the French Commercial Code and Article 13 of its Memorandum and Articles of Association, in October 2021, the Company introduced, through Euroclear France, a procedure for identifying its bearer shareholders (the so-called Identifiable Bearer Securities survey). This has not revealed any shareholders or intermediaries registered on behalf of non-resident shareholders with a holding exceeding one of the thresholds referred to in Article L. 233-7 of the French Commercial Code, other than those mentioned above.

Position as of the date of filing of this Universal Registration Document

The Company was not informed of any crossing of the capital or voting right thresholds referred to in Article L. 233-7 of the French Commercial Code between 31 December 2021 and the date of filing of this Universal Registration Document.

6.3.3. CHANGES IN OWNERSHIP OF THE CAPITAL AND THE VOTING RIGHTS DURING THE LAST THREE FINANCIAL YEARS

	31/12/2021 ¹			31/12/2020 ¹			31/12/2019 ¹		
	Number of shares	% of capital	% of exercisable voting rights ²	Number of shares	% of capital	% of exercisable voting rights ²	Number of shares	% of capital	% of exercisable voting rights ²
Caisse des Dépôts et Consignations ³	3,153,176	9.84%	9.96%	3,013,577	9.52%	9.65%	2,963,121	9.46%	9.59%
Bpifrance Investissement	1,624,791	5.07%	5.13%	1,604,899	5.07%	5.14%	1,584,729	5.06%	5.13%
CDC Croissance	1,528,385	4.77%	4.83%	1,408,678	4.45%	4.51%	1,378,392	4.40%	4.46%
Compagnie Financière Européenne de Prises de Participation ³	1,956,831	6.11%	6.18%	1,932,913	6.11%	6.19%	1,908,661	6.09%	6.18%
Impala SAS ³	1,941,154	6.06%	6.13%	1,917,619	6.06%	6.14%	1,860,000	5.94%	6.02%
Financière de l'Échiquier ³	1,279,237	3.99%	4.04%	1,286,858	4.07%	4.12%	1,573,186	5.02%	5.09%
Directors (excluding Bpifrance Investissement) and officers ⁴	98,862	0.31%	0.31%	75,345	0.24%	0.24%	74,760	0.24%	0.24%
FCPE Albioma ⁵	462,133	1.44%	1.46%	305,913	0.97%	0.98%	268,560	0.86%	0.87%
Employees (performance shares and stock option plans) ⁶	392,993	1.23%	1.24%	307,987	0.97%	0.99%	463,414	1.48%	1.50%
Intra-Group cross-shareholdings	-	-	-	-	-	-	-	-	-
Treasury shares ⁷	401,759	1.25%	-	428,444	1.35%	-	434,164	1.39%	-
Public	20,133,087	62.81%	63.61%	22,373,254	70.71%	71.68%	21,696,012	69.27%	70.24%
Total	32,052,047	100.00%	100.00%	31,641,910	100.00 %	100.00%	31,320,533	100.00%	100.00%

1. The main changes to the ownership of the capital between 31 December 2021 and the date of filing of this Universal Registration Document are discussed in Section 6.3.2.2 on page 277 of this Universal Registration Document.

2. See additional information in Section 6.3.8 on page 284 of this Universal Registration Document. In the absence of any multiple voting rights, the percentage of theoretical voting rights is the same as the percentage of the capital.

3. See additional information in Section 6.3.2.2 on pages 276 et seq. of this Universal Registration Document.

4. Directors and managers other than Bpifrance Investissement. As at 31 December 2021, 31 December 2020 and 31 December 2019: Frédéric Moyne, Jean-Carlos Angulo, Pierre Bouchut, Marie-Claire Daveu, Frank Lacroix, Florence Lambert and Ulrike Steinhorst.

5. An employee shareholder company investment fund (fonds commun de placement d'entreprise) operating as part of the Company's company savings plan and Group savings plan. See additional information in Section 6.3.4 on page 279 of this Universal Registration Document.

6. See additional information in Section 6.4.3.1 on pages 285 et seq. of this Universal Registration Document.

7. Shares held under a liquidity contract operated by Rothschild Martin Maurel and following the implementation of share buyback programmes, to acquire shares to be used for existing or future bonus performance share plans and to service the BSAAAR plan established in 2018. See additional information in Section 6.3.6.2 on pages 279 et seq. of this Universal Registration Document.

6.3.4. EMPLOYEE SHAREHOLDERS

As at 31 December 2021, the Company's employees and former employees held, via Albioma FCPE, an employee shareholder company investment fund operating as part of the company savings plan, a total of 462,133 shares, representing 1.44% of the capital and 1.46% of the voting rights.

In the 2021 financial year, the Company carried out a capital increase reserved for members of its group savings plan and its international group savings plan, called Albioma Invest 2021, allowing employees and certain former employees of eligible Group companies in France and Brazil to invest in Albioma stock via Albioma FCPE.

The subscription offer included the option of a so-called "Classic" plan, subscriptions in such cases being received via the Albioma Relais 2021 FCPE with a view, following subscription to the capital increase, to merging with the "Albioma Classic" compartment of the Albioma FCPE, and a "Multiple" plan, subscriptions in such cases being received via the Albioma Multiple 2021 compartment of the Albioma FCPE with a view, following subscription to the capital increase, to retaining the shares subscribed until expiry of the offer. Under this second plan, the subscriber is guaranteed that the higher value of either (i) a guaranteed return on his or her personal contribution or (ii) a multiple of the protected average rise in the Albioma share price will be added to the amount of his or her personal contribution.

The shares issued under the two plans were offered for subscription at a unit price of €24.48, representing the average opening price of the Albioma stock over the twenty trading sessions prior to 23 June 2021 (i.e. the trading sessions from 26 May 2021 to 22 June 2021), minus a 30% discount, subscribers to the "Multiple" plan waiving the benefit of this discount.

The offer subscription / withdrawal period ended on 27 June 2021. More than 48% of employees and eligible former employees subscribed. This capital increase, which was oversubscribed, resulted in the issue of 197,386 new shares representing 0.62% of the capital at 31 December 2021 and issue proceeds of €4,832,009.28. The shares created, which carried immediate dividend rights, were admitted to trading on Euronext Paris.

392,993 shares, representing 1.23% of the capital and 1.24% of the voting rights, were also held by employees of the Company and of its subsidiaries under the long-term incentive schemes adopted by the Group (see additional information in Section 6.4.3.1 on pages 285 *et seq.* of this Universal Registration Document).

Thus, as at 31 December 2021, employees of the Company and its subsidiaries held 855,126 shares representing 2.67% of the capital and 2.70% of the voting rights.

6.3.5. SHAREHOLDER AGREEMENTS

6.3.5.1. Agreements liable to cause a change in control

None, to the best of the Company's knowledge.

6.3.5.2. Shareholders' agreements (Articles L. 233-11 of the French Commercial Code and 223-18 of the General Regulation of the Financial Markets Authority)

None, to the best of the Company's knowledge.

6.3.5.3. "Dutheil law" lock-in obligations

None, to the best of the Company's knowledge.

6.3.6. INTRA-GROUP CROSS-SHAREHOLDINGS, TREASURY SHARES AND SHARE BUYBACK PROGRAMMES

6.3.6.1. Intra-group cross-shareholdings

None.

6.3.6.2. Treasury shares, liquidity contracts and share buyback programmes

Treasury shares

At 31 December 2021, the Company owned 401,759 treasury shares (representing 1.25% of the capital and without voting rights, with the same par value as ordinary shares¹), wholly held following the implementation of share buyback programmes to be used:

- to service current or future bonus performance share plans, with 349,326 shares allocated to this end under the programme;
- to service the BSAAR plan established in 2018, with 52,433 shares allocated to this end under the programme.

Share buyback programmes

Grant of authorisation to the Board of Directors to allow the Company to buy back its own shares within the framework of a share buyback programme

During the 2021 financial year, the Board of Directors held two successive authorisations to buy back the Company's own shares within the framework of a share buyback programme, granted by the General Meetings of 29 May 2020 and 25 May 2021. The authorisation granted on 25 May 2021 invalidated the unused part of the authorisation granted on 29 May 2020.

¹ See additional information in Section 6.2.2.1 on page 269 of this Universal Registration Document.

The terms of these authorisations were as follows:

	General Meeting of 29 May 2020	General Meeting of 25 May 2021
Objectives (in decreasing order of priority)	<ul style="list-style-type: none"> ■ To foster liquidity and to stimulate the market for the Company's shares through an investment services provider acting completely independently under a liquidity contract and in accordance with a code of conduct recognised by the AMF ■ To implement all Company stock option plans in accordance with Articles L. 225-177 <i>et seq.</i> of the French Commercial Code, all awards of bonus shares under a company or Group savings plan in accordance with Articles L. 3332-1 <i>et seq.</i> of the French Employment Code, all awards of bonus shares under Articles L. 225-197-1 <i>et seq.</i> of the French Commercial Code, and all awards of bonus shares under any scheme to share in the Company's profits, and to carry out any hedging transactions in connection therewith, in accordance with the terms and conditions laid down by the market authorities and at the times chosen by the Board of Directors or the person to whom the Board of Directors has delegated authority. ■ To deliver shares when rights attached to securities giving immediate or subsequent access to Company shares by any means are exercised, and to carry out any hedging transactions in connection with the Company's obligations related to such securities, under the terms and conditions laid down by the market authorities and at the times chosen by the Board of Directors or the person to whom the Board of Directors has delegated authority ■ To cancel all or some of the shares bought back within the framework of a capital reduction and under the terms and conditions authorised by the shareholders at a General Meeting ■ To keep the shares with a view to their subsequent delivery as payment or in exchange within the framework of acquisitions, in accordance with accepted market practices and the applicable regulations ■ To implement any other market practices that are accepted or recognised by the law or the AMF and, more generally, to achieve any other objective allowed by the applicable regulations 	
Maximum amount of capital that can be bought back	10% of the capital (5% of the capital in the case of shares that may be bought with the intention of subsequently delivering them in payment or exchange as part of an acquisition). The Company may not hold more than 10% of its own capital at any time	
Maximum purchase price	€45 per share, and in the event of capital transactions such as the capitalisation of reserves followed by the issue and award of bonus shares and/or a stock split or reverse stock split transaction, this maximum purchase price will be adjusted accordingly by applying a factor corresponding to the ratio between the number of shares comprising the capital before the transaction and the number of shares after the transaction.	€60 per share, and in the event of capital transactions such as the capitalisation of reserves followed by the issue and award of bonus shares and/or a stock split or reverse stock split transaction, this maximum purchase price will be adjusted accordingly by applying a factor corresponding to the ratio between the number of shares comprising the capital before the transaction and the number of shares after the transaction.
Maximum amount, net of costs, allocated to the programme	€35 million	€35 million
Buying and selling procedures	By any means, in particular on the market or off the market, including over-the-counter, or through block trades or a public offering. There is no limit on the proportion of securities subject to block trading, and block trades may account for the entire share buyback programme. However, the use of options, derivatives and hybrid securities is prohibited.	
Automatic suspension of the authorisation in the case of a public offering	Yes	Yes
Term	18 months from the date of the General Meeting	

During the 2021 financial year, shares were bought back under these authorisations in order to:

- implement a market-making agreement operated by Rothschild Martin Maurel to ensure the liquidity of the Albioma stock on Euronext Paris;
- service the current performance share plans;
- service the BSAAR issued in 2018.

No derivative products or option mechanisms were used for share buybacks in 2021. There was no open position (buy or sell) as at 31 December 2021, or on the date of the filing of this Universal Registration Document.

The Company has not used the authorisations to reduce its capital by cancelling shares acquired under a buyback programme granted by the General Meetings of 29 May 2020 and 25 May 2021 (see additional information in Section 6.2.2.2 on page 270 *et seq.* of this Universal Registration Document).

Liquidity contract

During the 2021 financial year, a liquidity contract was implemented by Rothschild Martin Maurel to stimulate the market for Albioma securities on the Euronext Paris. This contract complies with the AMAFI (Association des Marchés Financiers) code of conduct approved by the Financial Markets Authority.

During the financial year, the assets allocated to the liquidity contract were as follows:

	30/06/2021 ¹	31/12/2021 ²
Investment service provider	Rothschild Martin Maurel	Rothschild Martin Maurel
Number of shares held on the liquidity account	-	-
Cash held on the liquidity account (in euros)	3,027,093	3,035,149

1. Date on which positions were calculated for the half-yearly liquidity contract results as at 30 June 2021.

2. Date on which positions were calculated for the half-yearly liquidity contract results as at 31 December 2021.

There was no adjustment to the assets allocated to the liquidity contract in the 2021 financial year.

Other buybacks and transfers during the 2021 financial year and as of the date of filing of this Universal Registration Document

During the 2021 financial year:

- 216,102 shares were transferred to Group employees and the executive corporate officer who are beneficiaries under the “2018” bonus performance share plan adopted by the General Meeting of 30 May 2018, subject to the continued service and performance conditions set out in that plan’s bylaws (see additional information in Section 6.4.3.3 on page 290 of this Universal Registration Document);
- 10,081 shares were transferred to the heirs of a deceased employee who was a beneficiary of the “2019” and “2020” bonus performance share plans approved by the General Meeting of 30 May 2018, in accordance with the provisions of the bylaws of said plans applicable in the event of the death or disability of the beneficiary;
- 99,641 shares were transferred following the exercise of an equivalent number of BSAAR issued in 2018;
- 147,065 shares were bought back on the market under a mandate entrusted to an investment services provider, and used to service the current bonus performance share plans;
- 152,074 shares were bought back on the market under a mandate entrusted to an investment services provider, and used to service the BSAAR plan established in 2018.

Furthermore, in the 2022 financial year, 204,473 shares were transferred to Group employees and the executive corporate officer who are beneficiaries under the “2019” bonus performance share plan adopted by the General Meeting of 30 May 2018, subject to the continued service and performance conditions set out in that plan’s bylaws (see additional information in Section 6.4.3.3 on page 290 of this Universal Registration Document).

Summary of the Company's trading in its own shares during the 2021 financial year

	2021	% du capital
Total number of shares purchased over the 2021 financial year¹	801,957	0.55%
of which, held under the liquidity contract operated by Rothschild Martin Maurel	502,818	0.55%
of which, held for other authorised purposes	299,139	-
Total number of shares sold in the 2021 financial year¹	502,818	0.57%
of which, held under the liquidity contract operated by Rothschild Martin Maurel	502,818	0.57%
of which, held for other authorised purposes	-	-
Average purchase price (in euros)¹	33,63	
Average selling price (in euros)¹	36,88	
Total number of shares transferred over the 2021 financial year	325,824	-
Number of shares cancelled over the past 24 months	-	-
Number of shares held in the portfolio as at 31/12/2021	401,759	1.34%
of which, held under the liquidity contract operated by Rothschild Martin Maurel	-	-
of which, held for other authorised purposes	401,759	1.34%
Net book value of the portfolio as at 31/12/2021 (in euros)²	9,927,053	
of which, held under the liquidity contract operated by Rothschild Martin Maurel	-	
of which, held for other authorised purposes	9,927,053	
Market value of the portfolio as at 31/12/2021 (in euros)	13,772,299	

1. Transactions between 1 and 31 December 2021.

2. Net book value of the portfolio with value date 31 December 2021, calculated using the "First In, First Out" method (FIFO).

Proposal to the General Meeting of 25 May 2022 to renew the grant of authorisation to the Board of Directors to allow the Company to buy back its own shares within the framework of a share buyback programme

General Meeting of 25 May 2022

Objectives (in decreasing order of priority)	<ul style="list-style-type: none"> ■ To foster liquidity and to stimulate the market for the Company's shares through an investment services provider acting completely independently under a liquidity contract and in accordance with a code of conduct recognised by the AMF ■ To implement all Company stock option plans in accordance with Articles L. 225-177 <i>et seq.</i> of the French Commercial Code, all awards of bonus shares under a company or Group savings plan in accordance with Articles L. 3332-1 <i>et seq.</i> of the French Employment Code, all awards of bonus shares under Articles L. 225-197-1 <i>et seq.</i> of the French Commercial Code, and all awards of bonus shares under any scheme to share in the Company's profits, and to carry out any hedging transactions in connection therewith, in accordance with the terms and conditions laid down by the market authorities and at the times chosen by the Board of Directors or the person to whom the Board of Directors has delegated authority. ■ To deliver shares when rights attached to securities giving immediate or subsequent access to Company shares by any means are exercised, and to carry out any hedging transactions in connection with the Company's obligations related to such securities, under the terms and conditions laid down by the market authorities and at the times chosen by the Board of Directors or the person to whom the Board of Directors has delegated authority ■ To cancel all or some of the shares bought back within the framework of a capital reduction and under the terms and conditions authorised by the shareholders at a General Meeting ■ To keep shares with a view to their subsequent delivery as payment or in exchange within the framework of external growth operations. ■ To implement any market practices that are accepted or recognised by the law or the AMF and, more generally, to achieve any other objective allowed by the applicable regulations
Maximum amount of capital that can be bought back	10% of the capital (5% of the capital in the case of shares that may be bought with the intention of subsequently delivering them in payment or exchange as part of an acquisition). The Company may not hold more than 10% of its own capital at any time
Maximum purchase price	€60 per share, and in the event of capital transactions such as the capitalisation of reserves followed by the issue and award of bonus shares and/or a stock split or reverse stock split transaction, this maximum purchase price will be adjusted accordingly by applying a factor corresponding to the ratio between the number of shares comprising the capital before the transaction and the number of shares after the transaction
Maximum amount, net of costs, allocated to the programme	€35 million
Buying and selling procedures	By any means, in particular on the market or off the market, including over-the-counter, or through block trades or a public offering. There is no limit on the proportion of securities subject to block trading, and block trades may account for the entire share buyback programme. However, the use of options, derivatives and composite securities is prohibited
Automatic suspension of the authorisation in the case of a public offering	Yes
Term	18 months from the date of the General Meeting

Proposal to the General Meeting of 25 May 2022 to renew the authorisation granted to the Board of Directors to reduce the capital by cancelling shares acquired under a share buyback programme

The General Meeting of 25 May 2022 is also invited to renew the authorisation granted to the Board of Directors by the General Meeting of 25 May 2021 to reduce the capital by cancelling shares acquired under a share buyback programme. The new authorisation shall invalidate the unused part of the authorisation granted to the Board of Directors by the General Meeting of 25 May 2021 (see additional information in Section 7.2.2.1 on pages 309 *et seq.* of this Universal Registration Document).

6.3.7. PLEDGES OF THE COMPANY'S SHARES

To the best of the Company's knowledge, based on entries in the shareholder register, 20,908 shares representing 0.066% of the capital and 0.067% of the voting rights had been pledged as at 31 December 2021.

Identity of the shareholder (registered)	Beneficiary	Start date of pledge	End date of pledge	Conditions for freeing shares	Number of shares pledged	% of capital pledged as at 31/12/2021
Escuret Edmond	n/c	n/c	n/c	n/c	18,360	0.057%
Geoffroy Jean-Philippe	n/c	n/c	n/c	n/c	721	0.002%
Impala SAS	n/c	n/c	n/c	n/c	1,290,323	4.026%
Lubeneq Stéphane	n/c	n/c	n/c	n/c	1,200	0.004%
Maisonneuve Pascal	n/c	n/c	n/c	n/c	627	0.002%
Total					1,311,231	4.091%

6.3.8. VOTING RIGHTS

As at 31 December 2021 and on the date of filing of this Universal Registration Document, each share entitled its holder to one voting right exercisable at General Meetings. On these dates there were no securities in existence that conferred multiple or special voting rights.

The Company's treasury shares have been temporarily stripped of voting rights. The Company publishes the number of exercisable voting rights and theoretical voting rights attached to the shares that comprise the capital every month (unless there are no material changes).

Theoretical voting rights are calculated on the basis of all the shares to which voting rights are attached, including treasury shares, temporarily stripped of voting rights. The number of theoretical voting rights is used to calculate the crossings of thresholds provided for by Article L. 233-7 of the French Commercial Code and by Article 13 of the Company's Memorandum and Articles of Association.

Exercisable voting rights are calculated on the basis of all the shares to which voting rights that can actually be exercised at General Meetings are attached and do not therefore include the voting rights attached to the treasury shares held.

The General Meeting of 28 May 2015 adopted by a large majority the amendment of Article 37 of the Memorandum and Articles of Association confirming the principle of «one share, one vote», as the Board of Directors had decided to make use of the exception allowed in Article L. 22-10-46 of the French Commercial Code.

6.4. Share subscription and purchase option plans and bonus performance share plans

6.4.1. THE GROUP'S LONG-TERM PROFIT SHARE POLICY

The Company sets great store in offering Group employees and management a long-term profit share plan. The current mechanisms take the shape of bonus performance share plans.

The mechanisms in force as at the date of filing of this Universal Registration Document are part of the three-year bonus performance share framework set up as a result of the resolutions adopted by the General Meetings of 30 May 2018 and 29 May 2020.

The framework adopted by the General Meeting of 30 May 2018, under which up to 919,000 shares could be awarded, representing 2.87% of the capital at 31 December 2021, is open to certain employees and executive corporate officers of the

Company and of its subsidiaries. This allows the successive implementation of three bonus performance share plans, each involving up to around 1% of the capital and covering a period of three financial years (2018-2020, 2019-2021 and 2020-2022). The first tranche saw the implementation, in 2018, of a "2018" plan involving 0.97% of the capital at 31 December 2021. The second tranche gave rise to the implementation, in 2019, of a "2019" plan involving 0.95% of the capital at 31 December 2021. The third tranche was implemented in 2020 through a "2020" plan involving 0.95% of the capital at 31 December 2021.

The framework adopted by the General Meeting of 29 May 2020, under which up to 846,000 shares could be awarded, representing 2.64% of the capital at 31 December 2021, and open to certain employees and executive corporate officers of the Company and of its subsidiaries allows, building on earlier mechanisms, the successive implementation of three bonus performance share plans, each involving up to around 0.9% of the capital and covering a period of three financial years (2021-2023, 2022-2024 and 2023-2025). The first tranche saw the implementation, in 2021, of a "2021" plan involving 0.70% of the capital at 31 December 2021. The third tranche was implemented in 2022 through a "2022" plan involving 0.79% of the capital at 31 December 2021. The third tranche of this framework will be implemented in 2023.

6.4.2. SHARE SUBSCRIPTION AND PURCHASE OPTION PLANS

6.4.2.1. Share subscription and purchase option plans in force as of the date of filing of the Universal Registration Document or expired during the 2021 financial year

None.

6.4.2.2. Share subscription and purchase options granted to non-corporate officer employees, or exercised by them during the 2021 financial year

None.

6.4.3. BONUS PERFORMANCE SHARE PLANS

The information that follows, together with the information in Section 2.4.2.7 on pages 139 *et seq.* of this Universal Registration Document, constitutes the report of the Board of Directors referred to in Article L. 225-197-4 of the French Commercial Code.

6.4.3.1. Bonus performance share plans in force as at the date of filing of the Universal Registration Document or expired during the 2021 financial year

Bonus performance share plans adopted by the General Meeting of 30 May 2018

2018 Plan

		As % of capital as at 31/12/2021
Date of the General Meeting	30/05/2018	
Date of the Board of Directors' meeting	30/05/2018	
Total number of initial beneficiaries	88	
Date of vesting of the performance shares ¹	30/05/2021	
End date of the lock-in period for performance shares ²	30/05/2022	
Total number of performance shares allotted³	309,600	0.97%
of which, to the top 10 employees who are not corporate officers	133,100	0.42%
of which, to corporate officers	30,620	0.10%
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyné (Directeur Général du 01/06/2016 au 27/05/2019 et Président-Directeur Général depuis le 27/05/2019)	30,620	0.10%
Number of performance shares effectively vested as at 31/12/2021	216,102	0.67%
of which, to the top 10 employees who are not corporate officers	88,963	0.28%
of which, to corporate officers	23,511	0.07%
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyné (Chief Executive Officer from 01/06/2016 to 27/05/2019, Chairman and Chief Executive Officer since 27/05/2019)	23,511	0.07%
Total number of performance shares cancelled or lapsed as at 31/12/2021	93,498	0.29%
of which, to the top 10 employees who are not corporate officers	44,137	0.14%
of which, to corporate officers	7,109	0.02%
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyné (Chief Executive Officer from 01/06/2016 to 27/05/2019, Chairman and Chief Executive Officer since 27/05/2019)	7,109	0.02%
Number of performance shares remaining as at 31/12/2021	-	-
of which, to the top 10 employees who are not corporate officers	-	-
of which, to corporate officers	-	-
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016, Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyné (Chief Executive Officer from 01/06/2016 to 27/05/2019, Chairman and Chief Executive Officer since 27/05/2019)	-	-

1. The vesting of the shares was subject to the following performance conditions:

- Shares in the first tranche could only vest if 2020 consolidated EBITDA had increased compared to 2017 consolidated EBITDA by between +30% and +50%. The number of shares vesting on the basis of the effective performance within this range was calculated by linear interpolation between the lower and upper limits in this performance range.
- Shares in the second tranche could only vest if 2020 consolidated earnings per share had increased compared to 2017 consolidated earnings per share by between +35% and +57%. The number of shares vesting on the basis of the effective performance within this range was calculated by linear interpolation between the lower and upper limits in this performance range.
- Shares in the third tranche could only vest if the Albioma share price, net dividends reinvested (based on the average share price over 120 days) between 1 January 2018 and 31 December 2020 had outperformed the CAC Small Net Return (CACSN) index over the same period by between 0% and 5%. The number of shares vesting on the basis of the effective performance within this range was calculated by linear interpolation between the lower and upper limits in this performance range.
- Shares in the fourth tranche could only vest if the proportion of total power output from renewable energy between 2017 and 2020 had increased by between +17% and +32%. The number of shares vesting on the basis of the effective performance within this range was calculated by linear interpolation between the lower and upper limits in this performance range.

2. Shares that have vested are subject to a one-year lock-in obligation, the corporate officers being subject to the additional obligation to retain as registered shares 25% of the shares vesting until they stand down from office.

3. The awards are divided up into four tranches, and each tranche covers 25% of the shares awarded. Various performance conditions must be met to trigger the vesting of each tranche.

2019 Plan

		As % of capital as at 31/12/2021
Date of the General Meeting	30/05/2018	
Date of the Board of Directors' meeting	07/03/2019	
Total number of initial beneficiaries	96	
Date of vesting of the performance shares ¹	07/03/2022	
End date of the lock-in period for performance shares ²	07/03/2023	
Total number of performance shares allotted³	305,420	0.95%
of which, to the top 10 employees who are not corporate officers	131,980	0.41%
of which, to corporate officers	30,620	0.10%
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016. Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyne (Chief Executive Officer from 01/06/2016 to 27/05/2019. Chairman and Chief Executive Officer since 27/05/2019)	30,620	0.10%
Number of performance shares vested as at 31/12/2021⁴	7,500	0.02%
of which, to the top 10 employees who are not corporate officers	-	-
of which, to corporate officers	-	-
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016. Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyne (Chief Executive Officer from 01/06/2016 to 27/05/2019. Chairman and Chief Executive Officer since 27/05/2019)	-	-
Total number of performance shares cancelled or lapsed as at 31/12/2021	26,480	0.08%
of which, to the top 10 employees who are not corporate officers	8,620	0.03%
of which, to corporate officers	-	-
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016. Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyne (Chief Executive Officer from 01/06/2016 to 27/05/2019. Chairman and Chief Executive Officer since 27/05/2019)	-	-
Number of performance shares remaining as at 31/12/2021	271,440	0.85%
of which, to the top 10 employees who are not corporate officers	123,360	0.38%
of which, to corporate officers	30,620	0.10%
■ Jacques Pétry (Chairman and Chief Executive Officer from 21/10/2011 to 31/05/2016. Chairman of the Board of Directors from 01/06/2016 to 27/05/2019)	-	-
■ Frédéric Moyne (Chief Executive Officer from 01/06/2016 to 27/05/2019. Chairman and Chief Executive Officer since 27/05/2019)	30,620	0.10%

1. The vesting of the shares is subject to the following performance conditions being met.

- Shares in the first tranche will not vest unless the 2021 consolidated EBITDA has increased compared to the 2018 consolidated EBITDA by between +23% and +38%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.
- Shares in the second tranche will not vest unless the 2021 consolidated earnings per share has increased compared to the 2018 consolidated earnings per share by between +15% and +35%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.
- Shares in the third tranche will only vest if the Albioma share price, net dividends reinvested (based on the average share price over 120 days) between 1 January 2019 and 31 December 2021 outperforms the CAC Small Net Return (CACSN) index over the same period by between 0% and 5%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.
- Shares in the fourth tranche will not vest unless the proportion of total power output from renewable energy between 2018 and 2021 has increased by between +29% and +48%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.

2. Shares that have vested are subject to a one-year lock-in obligation, the corporate officers being subject to the additional obligation to retain as registered shares 25% of the shares vesting until they stand down from office.
3. The awards are divided up into four tranches, and each tranche covers 25% of the shares awarded. Various performance conditions must be met to trigger the vesting of each tranche.
4. The shares that vested at 31 December 2022 resulted from the application of the plan's rules on the death of beneficiaries.

2020 Plan

		As % of capital as at 31/12/2021
Date of the General Meeting	30/05/2018	
Date of the Board of Directors' meeting	02/03/2020	
Total number of initial beneficiaries	116	
Date of vesting of the performance shares ¹	02/03/2023	
End date of the lock-in period for performance shares ²	02/03/2024	
Total number of performance shares allotted³	303,971	0.95%
of which, to the top 10 employees who are not corporate officers	125,352	0.39%
of which, to corporate officers	29,076	0.09%
■ Frédéric Moynes (Chief Executive Officer from 01/06/2016 to 27/05/2019. Chairman and Chief Executive Officer since 27/05/2019)	29,076	0.09%
Number of performance shares vested as at 31/12/2021⁴	2,581	0.01%
of which, to the top 10 employees who are not corporate officers	-	-
of which, to corporate officers	-	-
■ Frédéric Moynes (Chief Executive Officer from 01/06/2016 to 27/05/2019. Chairman and Chief Executive Officer since 27/05/2019)	-	-
Total number of performance shares cancelled or lapsed as at 31/12/2021	17,006	0.05%
of which, to the top 10 employees who are not corporate officers	-	-
of which, to corporate officers	-	-
■ Frédéric Moynes (Chief Executive Officer from 01/06/2016 to 27/05/2019. Chairman and Chief Executive Officer since 27/05/2019)	-	-
Number of performance shares remaining as at 31/12/2021	284,384	0.89%
of which, to the top 10 employees who are not corporate officers	125,352	0.39%
of which, to corporate officers	29,076	0.09%
■ Frédéric Moynes (Chief Executive Officer from 01/06/2016 to 27/05/2019. Chairman and Chief Executive Officer since 27/05/2019)	29,076	0.09%

1. The vesting of the shares is subject to the following performance conditions being met.

- Shares in the first tranche will not vest unless the 2022 consolidated EBITDA has increased compared to the 2019 consolidated EBITDA by between +18% and +28%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.
- Shares in the second tranche will not vest unless the 2022 consolidated earnings per share has increased compared to the 2019 consolidated earnings per share by between +20 % and +35%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.
- Shares in the third tranche will only vest if the Albioma share price, net dividends reinvested (based on the average share price over 120 days) between 1 January 2020 and 31 December 2022 outperforms the CAC Small Net Return (CACSN) index over the same period by between 0% and 5%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.
- Shares in the fourth tranche will not vest unless the proportion of total power output from renewable energy between 2019 and 2022 has increased by between +10% and +20%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.

2. Shares that have vested are subject to a one-year lock-in obligation, the corporate officers being subject to the additional obligation to retain as registered shares 25% of the shares vesting until they stand down from office.

3. The awards are divided up into four tranches, and each tranche covers 25% of the shares awarded. Various performance conditions must be met to trigger the vesting of each tranche.

4. The shares that vested at 31 December 2021 resulted from the application of the plan's rules on the death of beneficiaries.

Bonus performance share plans adopted by the General Meeting of 29 May 2020

2021 Plan

As % of capital
as at 31/12/2021

Date of the General Meeting	29/05/2020	
Date of the Board of Directors' meeting	03/03/2021	
Total number of initial beneficiaries	108	
Date of vesting of the performance shares ¹	03/03/2024	
End date of the lock-in period for performance shares ²	03/03/2025	
Total number of performance shares allotted³	224,977	0.70%
of which, to the top 10 employees who are not corporate officers	83,300	0.26%
of which, to corporate officers	22,500	0.07%
■ Frédéric Moyne (Chief Executive Officer from 01/06/2016 to 27/05/2019. Chairman and Chief Executive Officer since 27/05/2019)	22,500	0.07%
Number of performance shares vested as at 31/12/2021	-	-
of which, to the top 10 employees who are not corporate officers	-	-
of which, to corporate officers	-	-
■ Frédéric Moyne (Chief Executive Officer from 01/06/2016 to 27/05/2019. Chairman and Chief Executive Officer since 27/05/2019)	-	-
Total number of performance shares cancelled or lapsed as at 31/12/2021	10,300	0.03%
of which, to the top 10 employees who are not corporate officers	-	-
of which, to corporate officers	-	-
■ Frédéric Moyne (Chief Executive Officer from 01/06/2016 to 27/05/2019. Chairman and Chief Executive Officer since 27/05/2019)	-	-
Number of performance shares remaining as at 31/12/2021	214,677	0.67%
of which, to the top 10 employees who are not corporate officers	83,300	0.26%
of which, to corporate officers	22,500	0.07%
■ Frédéric Moyne (Chief Executive Officer from 01/06/2016 to 27/05/2019. Chairman and Chief Executive Officer since 27/05/2019)	22,500	0.07%

1. The vesting of the shares is subject to the following performance conditions being met.

- Shares in the first tranche will not vest unless the 2023 consolidated EBITDA has increased compared to the 2020 consolidated EBITDA by between +8% and +18%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.
 - Shares in the second tranche will not vest unless the 2023 consolidated earnings per share has increased compared to the 2020 consolidated earnings per share by between +2% and +12%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.
 - Shares in the third tranche will only vest if the Albioma share price, net dividends reinvested (based on the average share price over 120 days) between 1 January 2021 and 31 December 2023 outperforms the SBF 120 Net Return (PX4NR) index and the CAC Utilities Net Return (FRUTN) index over the same period, with 50% of entitlements allocated to each index, by between 0% and 5%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.
 - Shares in the fourth tranche will not vest unless the proportion of total power output from renewable energy between 2020 and 2023 has increased by between +17.5% and +23.4%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range, the achievement of the lower limit granting an irrevocable right to the vesting of 50% of the entitlements awarded.
2. Shares that have vested are subject to a one-year lock-in obligation, the corporate officers being subject to the additional obligation to retain as registered shares 25% of the shares vesting until they stand down from office.
3. The awards are divided up into four tranches, and each tranche covers 25% of the shares awarded. Various performance conditions must be met to trigger the vesting of each tranche.

2022 Plan

		As % of capital as at 31/12/2021
Date of the General Meeting	29/05/2020	
Date of the Board of Directors' meeting	01/03/2022	
Total number of initial beneficiaries	112	
Date of vesting of the performance shares ¹	01/03/2025	
End date of the lock-in period for performance shares ²	01/03/2026	
Total number of performance shares allotted³	254,265	0.79%
of which, to the top 10 employees who are not corporate officers	90,458	0.28%
of which, to corporate officers	24,320	0.08%
■ Frédéric Moyne (Chief Executive Officer from 01/06/2016 to 27/05/2019. Chairman and Chief Executive Officer since 27/05/2019)	24,320	0.08%
Number of performance shares effectively acquired as at the filing date of the Registration Document	-	-
of which, to the top 10 employees who are not corporate officers	-	-
of which, to corporate officers	-	-
■ Frédéric Moyne (Chief Executive Officer from 01/06/2016 to 27/05/2019. Chairman and Chief Executive Officer since 27/05/2019)	-	-
Total number of performance shares cancelled or lapsed as at the filing date of the Registration Document	-	-
of which, to the top 10 employees who are not corporate officers	-	-
of which, to corporate officers	-	-
■ Frédéric Moyne (Chief Executive Officer from 01/06/2016 to 27/05/2019. Chairman and Chief Executive Officer since 27/05/2019)	-	-
Number of performance shares remaining as at the filing date of the Registration Document	254,265	0.79%
of which, to the top 10 employees who are not corporate officers	90,458	0.28%
of which, to corporate officers	24,320	0.08%
■ Frédéric Moyne (Chief Executive Officer from 01/06/2016 to 27/05/2019. Chairman and Chief Executive Officer since 27/05/2019)	24,320	0.08%

1. The vesting of the shares is subject to the following performance conditions being met.

- Shares in the first tranche will not vest unless the 2024 consolidated EBITDA has increased compared to the 2021 consolidated EBITDA by between +15% and +25%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.
- Shares in the second tranche will not vest unless the 2023 consolidated earnings per share has increased compared to the 2020 consolidated earnings per share by between +14 % and +20 %. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.
- Shares in the third tranche will only vest if the Albioma share price, net dividends reinvested (based on the average share price over 120 days) between 1 January 2021 and 31 December 2023 outperforms the SBF 120 Net Return (PX4NR) index and the CAC Utilities Net Return (FRUTN) index over the same period, with 50% of entitlements allocated to each index, by between 0% and 5%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.
- Shares in the fourth tranche will not vest unless the proportion of total power output from renewable energy between 2020 and 2023 has increased by between +11.2% and +20.7%. The number of shares vesting on the basis of the effective performance within this range will be calculated by linear interpolation between the lower and upper limits in this performance range.

2. Shares that have vested are subject to a one-year lock-in obligation, the corporate officers being subject to the additional obligation to retain as registered shares 25% of the shares vesting until they stand down from office.

3. The awards are divided up into four tranches, and each tranche covers 25% of the shares awarded. Various performance conditions must be met to trigger the vesting of each tranche.

6.4.3.2. Bonus performance shares awarded during the 2021 financial year to the ten employees who are not corporate officers with the highest number of shares

The total number of performance shares awarded during the 2021 financial year to the ten non-corporate officer employees who received the most shares totalled 83,300 all allocated under the 2021 plan adopted by the General Meeting of 29 May 2020.

6.4.3.3. Performance shares vested

Bonus performance share plans adopted by the General Meeting of 30 May 2018

2018 Plan

The Board of Directors, at its 3 March 2021 meeting, recorded the following level of achievement of the performance conditions set out in the “2018” plan: The vesting of the corresponding shares took place on 30 May 2021 and solely to beneficiaries who, on that date, satisfied the service conditions set out in the plan bylaws.

Performance-related condition	Weighting	Reference	Lower limit	Absolute value	Higher limit	Absolute value	Value achieved	Number of shares vested (as a % of the corresponding portion)
EBITDA 2020 vs. 2017 (in millions of euros)	25%	138.3	30%	179.8	50%	207.5	206.4	96.37%
Earnings per share 2020 vs. 2017 (in euros)	25%	1.240	35%	1.674	57%	1.947	1.781	39.22%
Out-performance MM120 Albioma net dividends reinvested vs. CAC Small NR (spread as a %)	25%	-	-	-	5%	5%	122.5%	100.00%
MM120 Albioma net dividends reinvested (01/01/2018 - 31/12/2020)		19.74					42.68	
CAC Small NR (01/01/2018 - 31/12/2020)		18,541.48					17,370.29	
Growth in the share of renewable energies in total energy produced 2020 vs. 2017	25%	53.3%	17%	62%	32%	70%	68.08%	71.53%
Total	25%							76.78%

2019 Plan

The Board of Directors, at its 1 March 2022 meeting, recorded the following level of achievement of the performance conditions set out in the “2019” plan: The vesting of the corresponding shares took place on 7 March 2022 and solely to beneficiaries who, on that date, satisfied the service conditions set out in the plan bylaws.

Performance-related condition	Weighting	Reference	Lower limit	Absolute value	Higher limit	Absolute value	Value achieved	Number of shares vested (as a % of the corresponding portion)
EBITDA 2021 vs. 2018 (in millions of euros)	25%	162.6	23%	200.0	38%	224.4	214.8	60.69%
EPS 2021 vs. 2018 (in euros)	25%	1.46	15%	1.679	35%	1.971	1.88	68.84%
Out-performance MM120 Albioma net dividends reinvested vs. CAC Small NR (spread as a %)	25%	-	-	-	5%	5%	37.5%	100.00%
MM120 Albioma net dividends reinvested (01/01/2019 - 31/12/2021)		18.29					35.88	
CAC Small NR (01/01/2019 - 31/12/2021)		13,609.09					21,590.66	
Rise in the % of renewable energy in total production 2021 vs. 2018	25%	51.6%	29.0%	66.6%	48.0%	76.4%	73.7%	72.79%
Total	100%							75.58%

2020 Plan

At 31 December 2021, and as of the date of filing of this Universal Registration Document, the analysis of the achievement of the performance conditions governing the vesting of the bonus shares granted under the 2020 plan was ongoing, the analysis period running, in line with the plan bylaws, to 31 December 2022.

2021 Plan

At 31 December 2021, and as of the date of filing of this Universal Registration Document, the analysis of the achievement of the performance conditions governing the vesting of the bonus shares granted under the 2021 plan was ongoing, the analysis period running, in line with the plan bylaws, to 31 December 2023.

2022 Plan

As of the date of filing of this Universal Registration Document, the analysis of the achievement of the performance conditions governing the vesting of the bonus shares granted under the 2022 plan was ongoing, the analysis period running, in line with the plan bylaws, to 31 December 2024.

6.5. Factors likely to have an impact in the event of a public offering

The following information is provided pursuant to Article L. 22-10-11 of the French Commercial Code.

6.5.1. THE COMPANY'S CAPITAL STRUCTURE

The Company ceased to be controlled on 19 June 2015, and this position had not changed on 31 December 2020 or on the date of filing of this Universal Registration Document. This means that the structure of the Company's capital is no longer likely to have an impact in the event of a public offering.

The structure of the Company's capital is described in Section 6.3.1 on pages 276 *et seq.* of this Universal Registration Document.

6.5.2. RESTRICTIONS IMPOSED BY THE ARTICLES OF ASSOCIATION ON THE EXERCISE OF VOTING RIGHTS AND SHARE TRANSFERS, CONTRACTUAL CLAUSES NOTIFIED TO THE COMPANY PURSUANT TO ARTICLE L. 233-11 OF THE FRENCH COMMERCIAL CODE

6.5.2.1. Restrictions imposed by the Articles Of Association on the exercise of voting rights and share transfers

Shares vesting under the bonus performance share plan adopted by the General Meeting of 14 March 2012 are subject to a two-year lock-in obligation commencing on the date on which they vest and the executive corporate officers are subject to an additional obligation requiring them to retain 25% of the vesting shares as registered shares until they stand down from office. Shares vesting under the bonus performance share plan adopted by the General Meeting of 24 May 2016 were not subject to any general lock-in obligation, although executive corporate officers nevertheless continue to be subject to an additional obligation requiring them to retain 25% of the vesting shares as registered shares until they stand down from office.

At 31 December 2021, 231,586 shares, representing 0.72% of the capital, were subject to this lock-in obligation. As at the date of filing of this Universal Registration Document, 420,804 shares, representing 1.3% of the capital, were subject to this lock-in obligation.

6.5.2.2. Contractual clauses of which the Company has been notified pursuant to Article L. 233-11 of the French Commercial Code

None.

6.5.3. DIRECT OR INDIRECT HOLDINGS IN THE COMPANY'S CAPITAL OF WHICH THE COMPANY IS AWARE PURSUANT TO ARTICLES L. 233-7 AND L. 233-12 OF THE FRENCH COMMERCIAL CODE

The direct and indirect holdings in the Company's capital of which the Company has been notified in application of Article L. 233-7 of the French Commercial Code are described in Section 6.3.2.2 on pages 276 *et seq.* of this Universal Registration Document.

No direct or indirect holding have been notified to the Company in application of Article L. 233-12 of the French Commercial Code (see explanations in Section 6.3.6.1 on page 279 of this Universal Registration Document).

6.5.4. HOLDERS OF SECURITIES GRANTING SPECIAL RIGHTS OF CONTROL

None.

6.5.5. CONTROL MECHANISMS PROVIDED FOR IN ANY EMPLOYEE SHAREHOLDING PLAN IF THE EMPLOYEES DO NOT EXERCISE CONTROLLING RIGHTS

None (see additional information in Section 6.3.4 on page 279 of this Universal Registration Document).

6.5.6. AGREEMENTS BETWEEN SHAREHOLDERS, OF WHICH THE COMPANY IS AWARE, THAT MAY RESTRICT SHARE TRANSFERS OR THE EXERCISE OF VOTING RIGHTS.

None (see additional information in Section 6.3.5 on page 279 of this Universal Registration Document).

6.5.7. RULES GOVERNING THE APPOINTMENT AND REPLACEMENT OF MEMBERS OF THE BOARD OF DIRECTORS AND AMENDMENT OF THE COMPANY'S MEMORANDUM AND ARTICLES OF ASSOCIATION

The rules governing the appointment and replacement of the members of the Board of Directors and the amendment of the Company's Memorandum and Articles of Association are set forth in the applicable legal and regulatory provisions and in the Memorandum and Articles of Association (whose key provisions, including those applicable to the appointment and replacement of the members of the Board of Directors and the amendment of the Company's Memorandum and Articles of Association, appear in full in Section 6.1.2 on pages 260 *et seq.* of this Universal Registration Document) and the Board's Internal Regulations (reproduced in full in Section 2.3.3.3 on pages 122 *et seq.* of this Universal Registration Document).

6.5.8. POWERS OF THE BOARD OF DIRECTORS, IN PARTICULAR TO ISSUE AND BUY BACK SHARES

The powers of the Board of Directors are set forth in the applicable legal and regulatory provisions and in the Memorandum and Articles of Association (whose key provisions, including those applicable to the powers of the Board of Directors, appear in full in Section 6.1.2 on pages 260 *et seq.* of this Universal Registration Document) and the Board's Internal Regulations (reproduced in full in Section 2.3.3.3 on pages 122 *et seq.* of this Universal Registration Document).

The powers of the Board of Directors are described in Section 2.2.3 on pages 93 *et seq.* and Section 2.3.3 on pages 110 *et seq.* of this Universal Registration Document.

The powers granted to the Board of Directors to increase or reduce the capital and to trade in the Company's shares as part of share buyback programmes are described in Section 6.2.2 on pages 269 *et seq.* of this Universal Registration Document.

6.5.9. AGREEMENTS ENTERED INTO BY THE COMPANY THAT WOULD BE AMENDED OR TERMINATED IN THE EVENT OF A CHANGE OF CONTROL OF THE COMPANY

The following agreements contain clauses allowing the Company's contracting partner to terminate the agreement in the event of a change of control of the Company, subject to certain conditions.

The Sustainability-Linked Euro PP bond borrowing totalling €100 million that was placed privately by the Company during the 2020 financial year, contains provisions relating to a change of control of the Company. In particular, under these provisions, bond holders may require the early repayment of their bonds. Moreover, in the event of a change of control of the Company, the €60 million renewable credit facility arranged in 2019 and repayable in 2024 could be terminated

(for the portion not drawn down) and the Company could be required to repay it early (for the sums drawn down).

As regards the commitments entered into by the Group's subsidiaries, only the following would be affected by a change of control of the Company:

- the loan agreements entered into (or transferred) locally for the acquisition of Rio Pardo Termoelétrica (now Albioma Rio Pardo Termoelétrica) in Brazil;
- a lease agreement for land used by one of the Company's subsidiaries to run photovoltaic facilities on Reunion Island;
- the loan agreement and lease agreed in 2012 by Gümüşköy Jeotermal Enerji Üretim.

6.5.10. AGREEMENTS PROVIDING FOR SEVERANCE PAYMENTS TO BE MADE TO THE MEMBERS OF THE BOARD OF DIRECTORS OR TO EMPLOYEES IF THEY RESIGN OR ARE DISMISSED WITHOUT JUST CAUSE OR IF THEIR JOBS ARE ELIMINATED AS A RESULT OF A PUBLIC OFFERING

As at the date of filing of this Universal Registration Document, there is no agreement in place that provides for severance payments to be made to the members of the Board of Directors or to employees if they resign or are dismissed without just and serious cause or if their jobs are eliminated as a result of a public offering, with the exception of the severance pay and the covenant not to compete applying to the Chief Executive Officer, pursuant to a decision of the Board of Directors at its meeting of 1 March 2016. These commitments, the key provisions of which are set out in Section 2.4.2.8 on pages 141 *et seq.* of this Universal Registration Document, were approved at the General Meeting of 24 May 2016.

6.6. Albioma shares

6.6.1. DATASHEETS

ISIN code	FR0000060402
Loyalty bonus code ¹	FR0012332864
2023 loyalty bonus code ²	FR0014000R68
2024 loyalty bonus code ³	FR00140071P0
Ticker	ABIO
Par value	€0.0385
Listing market	Euronext Paris, Compartiment A
Deferred settlement service	Eligible
French Equity Savings (PEA)	Eligible
French Equity Savings Plan-SME (PEA-PME)	Eligible
Main indices	SBF 120, CAC Mid 60, CAC PME, CAC Utilities, Ent PEA-PME 150, Ent Tech 40, Next 150, CAC Mid & Small

1. Shares eligible for the increased dividend. See additional information in Section 6.6.3.3 on page 295 of this Universal Registration Document.

2. Shares eligible for the increased dividend payable in 2023 for the 2022 financial year. Shares using this code will automatically be assigned the following permanent loyalty bonus code from 2023: FR0012332864.

3. Shares eligible for the increased dividend payable in 2024 for the 2023 financial year. Shares using this code will automatically be assigned the following permanent loyalty bonus code from 2024: FR0012332864.

6.6.2. STOCK MARKET PRICE

6.6.2.1. Market overview of Albioma stock

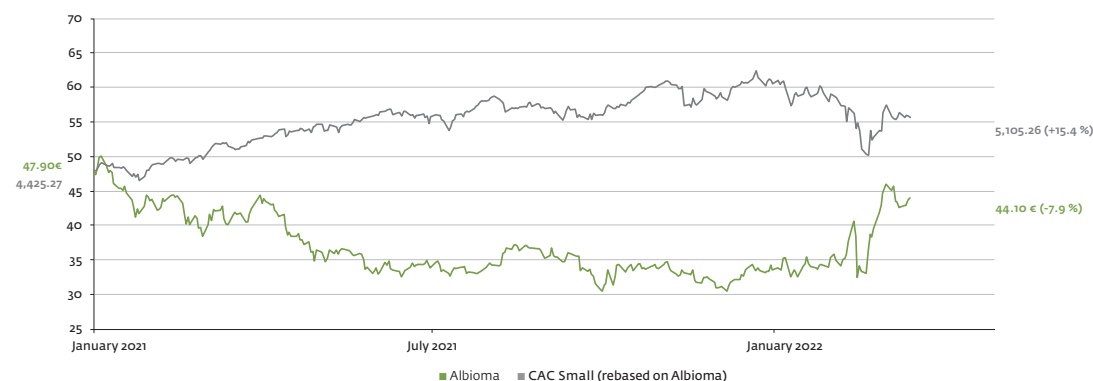
2020	Share price (in euros)			Average daily trading (in number of shares)	Average daily trading (in euros)
	High	Low	Average		
January	30.10	25.65	28.10	50,036	1,419,058
February	32.55	29.60	30.62	55,824	1,701,909
March	35.60	23.70	28.01	115,772	3,375,198
April	31.00	27.20	29.09	44,956	1,305,056
May	32.70	30.00	31.66	32,188	1,041,842
June	36.85	31.75	34.27	53,413	1,859,215
July	41.00	36.90	38.72	53,374	2,117,707
August	44.45	37.45	40.14	46,983	1,895,405
September	45.55	42.15	44.07	62,935	2,846,448
October	47.40	39.50	44.67	69,041	3,045,315
November	45.05	40.25	42.79	75,427	3,225,259
December	47.20	40.90	43.75	45,833	2,013,455

2021	Share price (in euros)			Average daily trading (in number of shares)	Average daily trading (in euros)
	High	Low	Average		
January	50.00	41.40	46.05	76,486	3,484,455
February	44.55	40.40	43.22	80,144	3,601,503
March	43.00	38.75	41.31	94,055	3,876,525
April	44.48	37.60	41.08	119,195	4,928,026
May	37.94	35.24	36.44	71,691	2,611,994
June	36.30	33.14	34.32	78,619	2,697,244
July	35.40	33.18	34.40	66,581	2,282,852
August	37.64	33.54	35.58	44,048	1,575,001
September	37.18	34.00	36.18	54,035	1,952,610
October	34.82	31.10	33.46	131,099	4,362,446
November	35.24	33.18	34.24	46,909	1,602,654
December	34.28	31.06	32.62	48,294	1,574,708

2022 (as at 31 March 2022)	High	Low	Average	Average daily trading (in number of shares)	Average daily trading (in euros)
January	35.74	33.06	34.16	100,182	3,433,218
February	40.86	34.16	35.58	96,908	3,468,051
March	46.00	32.96	41.06	243,120	9,628,916

6.6.2.2. Change in the Albioma share price between 1 January 2021 and 31 March 2022 and change in comparison to the SBF 120 index

In euros



6.6.3. DIVIDEND

6.6.3.1. Dividend policy

The Group's policy is to continue increasing its dividend with a target payout of around 50% of net income, Group share, excluding non-recurring items. Under this policy, Albioma also offers its shareholders the possibility of receiving payment of 50% of the dividend in new shares.

The proposal made to the General Meeting of 25 May 2022 for a dividend of €0.84 per share, i.e., 5% up on the previous year is in line with this dividend policy, with a corresponding payout rate of 52% of net income, Group share, excluding non-recurring items. Exceptionally, in view of the signature on 27 April 2022 of a tender offer agreement in support of the proposed takeover bid by KKR, no option for the payment of the 2021 dividend in the form of new shares shares will be offered to shareholders.

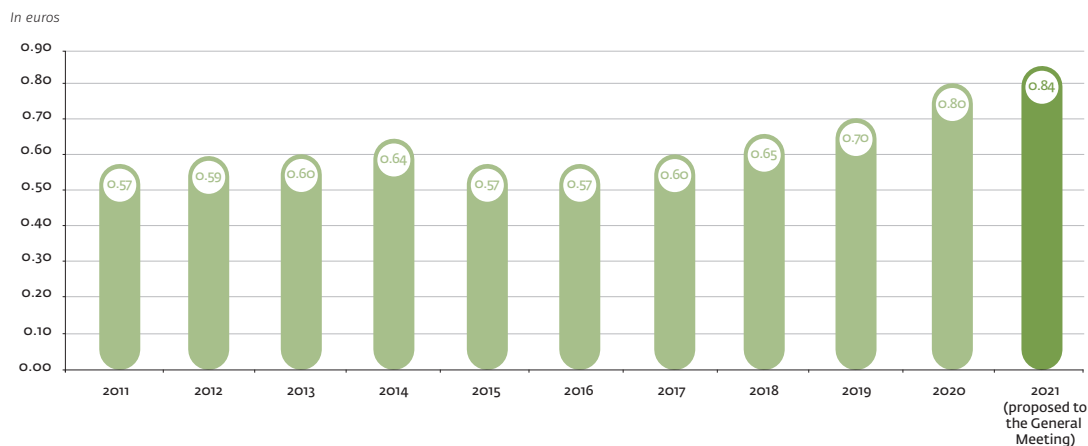
Moreover, Article 45 of the Memorandum and Articles of Association guarantees the shareholders a minimum dividend, known as the initial dividend, as soon as the profit made in a given financial year and the Company's balance sheet structure allow it, pursuant to applicable laws and regulations and the Memorandum and Articles of Association (the full text of this Article can be found in Section 6.1.2.4 on pages 265 *et seq.* of this Universal Registration Document).

This dividend is calculated as follows:

- deduction from the distributable profit (net profit for the year, less losses carried forward, and sums to be transferred to reserves in application of the law, plus retained earnings) of an amount equal to 6% of the sums whose shares are paid up and not redeemed;
- deduction from the distributable profit of an amount equal to 6% of any sums deriving from premiums for shares issued in cash and held in an additional paid-in capital account.

If the profit for one financial year is not sufficient to pay this initial dividend, the shareholders shall not be able to claim it from the profit in subsequent years.

6.6.3.2. Change in the dividend (2011 to 2021 financial years)



6.6.3.3. Development of shareholder loyalty: increased dividend

Albioma sets great store by fostering the loyalty of its shareholders, whom it wished to involve in long-term value creation.

The General Meeting of 30 May 2013 thus approved the shareholder loyalty programme proposed to it by the Board of Directors and, as a result, amended Article 45 of the Memorandum and Articles of Association (the full text of this Article can be found in Section 6.1.2.4 on pages 265 *et seq.* of this Universal Registration Document).

The loyalty bonus is granted to shareholders who have held registered shares for a continuous period of at least two years, meaning two calendar years. The loyalty bonus is granted in the form of a 10% increase in the dividend paid, rounded down to the nearest euro cent. This bonus shall also apply if a dividend is paid in shares: in such cases, shareholders that registered within the prescribed time shall receive a larger dividend, which they may choose to reinvest in shares under the option of receiving 50% of their dividend in shares.

The loyalty bonus is available both to holders of “direct” and “administered” registered shares. However, shareholders who decide to retain bearer shares shall not be eligible for this bonus. To qualify for a given calendar year, shareholders must apply to be registered as direct registered or administered registered shareholders by 15 December of the previous year.

Shareholders who are able to demonstrate uninterrupted direct or administered registration between 1 January 2020 and 31 December 2021 will therefore be eligible for an increased dividend for the 2021 financial year, provided

that they are still registered as shareholders on the date the positions are calculated (also known as the record date; this date is usually one or two days after the date of the General Meeting that approved the dividend). Based on the proposed appropriation of earnings submitted to the General Meeting of 25 May 2022 for approval, the increased dividend will amount to €0.924 per share.

The number of each shareholder’s shares that are eligible for the loyalty bonus may not exceed 0.5% of the capital.

Since the beginning of 2014, specific ISIN codes have been used to identify shares eligible for the increased dividend, for each financial year. These special identification codes do not affect the ISIN code for the Albioma share (FR0000060402), which is the only identification code visible on Euronext Paris that can be used when trading on this market (see the details provided in Section 6.6.1 on page 293 of this Universal Registration Document).

6.7. Financial communication, shareholder and investor relations

Albioma strives to constantly improve the quality of its financial communication and to encourage dialogue with its shareholders and with French and foreign investors.

6.7.1. NUMEROUS MEETINGS WITH FINANCE INDUSTRY PLAYERS

The website www.albioma.com should be the primary port of call for information and to find out more about developments at the Group. As required by the applicable legislative and regulatory provisions, all regulated information disclosed by Albioma will be posted on this website.

At these meetings the Company sets out its annual results as well as its medium-term strategy for the benefit of French and foreign analysts and investors. Half-yearly results are usually presented in the form of a conference call, a recording of which is posted on the Company's website. All the documents presented on these occasions are posted online the very same day on the Company's website.

Other events, in person or by telephone, may be organised depending on the Group's news. In such cases Albioma always strives to ensure equal treatment of shareholders by posting the relevant documents online immediately.

Moreover, Albioma meets regularly with players in the finance industry and frequently meets French and foreign institutional investors at road shows or individual meetings held in France or abroad.

For the specific purpose of preparing General Meetings, a series of discussions are held with French and foreign providers of voting recommendation services and our main shareholders, to ensure that the proposed resolutions meet the strictest industry requirements in terms of governance and respect of all shareholders' rights.

6.7.2. 2022 FINANCIAL CALENDAR

02/03/2022 (pre-trading)	Annual results for 2021
21/04/2022 (after trading)	First quarter 2022 revenue
25/05/2022	Annual General Meeting of Shareholders
26/07/2022 (after trading)	First half 2022 results
25/10/2022 (after trading)	Third quarter 2022 revenue

6.7.3. ALBIOMA CONTACTS

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07

ORDINARY AND EXTRAORDINARY GENERAL MEETING OF 25 MAI 2022

7.1. Agenda	298	7.3. Reports by the Statutory Auditors on the resolutions	316
7.1.1. Ordinary meeting	298	7.3.1. Report by the Statutory Auditors on the capital reduction (thirteenth resolution)	316
7.1.2. Extraordinary meeting	298	7.3.2. Report by the Statutory Auditors on the issue of redeemable share subscription and/or purchase warrants ('BSAAR warrants') giving access to the Company's capital reserved for employees and executive corporate officers of the Company and of its subsidiaries (fourteenth resolution)	317
7.2. Draft resolutions and report of the Board of Directors for the General Meeting	298	7.3.3. Report by the Statutory Auditors on the issue of ordinary shares and/or securities giving access to the Company's capital reserved for members of company or group savings plans (fifteenth resolution)	318
7.2.1. Resolutions put to the Ordinary General Meeting	298		
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The General Meeting will be held at 3 p.m. Paris time, 25 May 2022, in the auditorium of the Capital 8 conference center, 32 Rue de Monceau, 75008 Paris, France.

7.1. Agenda

7.1.1. ORDINARY MEETING

- Approval of the annual financial statements for the financial year ended 31 December 2021
- Approval of the consolidated financial statements for the financial year ended 31 December 2021
- Appropriation of income and setting of the dividend for the financial year ended 31 December 2021
- Approval of the information relating to the remuneration of the corporate officers presented in the corporate governance report referred to in Article L. 225-37 of the French Commercial Code for the financial year ended 31 December 2021
- Approval of the remuneration due or awarded to Frédéric Moyne, Chairman and Chief Executive Officer, for the financial year ended 31 December 2021
- Approval of the corporate officer remuneration policy as from 1 January 2022
- Setting the maximum amount of remuneration to be allocated to Directors
- Approval of the agreements governed by Article L. 225-38 of the French Commercial Code
- Reappointment of PricewaterhouseCoopers Audit as principal Statutory Auditor and recording of the expiry of the term of office of the alternate Statutory Auditor Jean-Baptiste Deschryver
- Reappointment of Mazars as principal Statutory Auditor and recording of the expiry of the term of office of the alternate Statutory Auditor Simon Beillevaire
- Grant of authorisation to the Board of Directors to allow the Company to buy back its own shares under a share buyback programme

7.1.2. EXTRAORDINARY MEETING

- Grant of authorisation to the Board of Directors to reduce the Company's capital by cancelling shares purchased by the Company within the framework of a share buyback programme
- Authorisation to the Board of Directors to decide to issue redeemable share subscription and/or purchase warrants ("BSAAR warrants") to employees and Chief Executive Officers (executive corporate officers) of the Company and its subsidiaries, with the waiver of preferential subscription rights

- Authorisation to the Board of Directors to decide to issue ordinary shares and/or securities giving immediate or subsequent access to capital to members of company or group savings plans, with waiver of preferential subscription rights
- Amendment of the provisions of Article 30 of the Memorandum and Articles of Association relating to the requirement to appoint alternate Statutory Auditors
- Powers to carry out formalities

7.2. Draft resolutions and report of the Board of Directors for the General Meeting

7.2.1. RESOLUTIONS PUT TO THE ORDINARY GENERAL MEETING

7.2.1.1. First, second and third resolutions: approval of annual and consolidated financial statements, appropriation of income and setting of the dividend for the financial year ended 31 December 2021

Explanation

The purpose of the first and second resolutions is the approval of the annual and consolidated financial statements for the 2021 financial year. The Company's Statutory Auditors have produced the reports set out in Section 5.4 on pages 254 *et seq.* and Section 4.7 on pages 220 *et seq.* of the 2021 Universal Registration Document in relation to these financial statements.

The annual financial statements for the 2021 financial year record a net profit of €37.8 million, which represents a 62% increase compared with the 2020 financial year (€23.4 million). They are set out in full in chapter 5 on pages 226 *et seq.* of the 2021 Universal Registration Document.

The consolidated financial statements for the 2021 financial year record net income, Group share, of €59.0 million, which represents a 7% increase compared with the 2020 financial year (€55.3 million). They are set out in full in chapter 4 on pages 166 *et seq.* of the 2021 Universal Registration Document.

The third resolution relates to the appropriation of income for the 2021 financial year and the setting of the dividend to be distributed in respect of said financial year. The Board of Directors is asking the General Meeting to approve a proposal to distribute a dividend of €0.84 per share, up 5% on the 2020 dividend, representing a payout ratio of 52% of net income, Group share for 2021, excluding non-recurring items.

Shares eligible for the 10% increase in the 2021 dividend will receive a dividend of €0.924 per share, up to at most 0.5% of the capital per shareholder.

If the General Meeting approves the proposed amount, the shares will go ex-dividend on 9 June 2022 and the dividend will be paid on 8 July 2022.

Exceptionally, in view of the signature on 27 April 2022 of a tender offer agreement in support of KKR's proposed takeover bid, no option for the payment of the 2021 dividend in the form of new shares will be offered to shareholders.

The dividend is eligible for the 40% tax relief pursuant to Article 158 (3) (2) of the French Tax Code, when opted for and in accordance with the terms, conditions and limits laid down by applicable laws and regulations.

The Board of Directors invites shareholders to approve these resolutions.

First resolution – Approval of the annual financial statements for the financial year ended 31 December 2021

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, and having taken note of the following:

- the management report of the Board of Directors for the financial year ended 31 December 2021 (included in the 2021 Universal Registration Document) and the report of the Board of Directors for the General Meeting,
- the report of the Statutory Auditors on the annual financial statements for the financial year ended 31 December 2021,

approves the annual financial statements for the financial year ended 31 December 2021 as drawn up and presented to it, together with the transactions reflected in these financial statements and summarised in these reports, showing a net profit of €37,787 thousand,

and, pursuant to Article 223 *quater* of the French General Tax Code, notes the absence of any of the expenses and charges referred to in Article 39(4) of the French General Tax Code, which are non-deductible from taxable income for the financial year ended 31 December 2021.

Second resolution – Approval of the consolidated financial statements for the financial year ended 31 December 2021

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, and having taken note of the following:

- the management report of the Board of Directors for the financial year ended 31 December 2021 (included in the 2021 Universal Registration Document) and the report of the Board of Directors for the General Meeting,
- the report of the Statutory Auditors on the consolidated financial statements for the financial year ended 31 December 2021,

approves the consolidated financial statements for the financial year ended 31 December 2021 as drawn up and presented to it, together with the transactions reflected in these financial statements and summarised in these reports, showing a net income, Group share, of €59,024 thousand.

Third resolution – Appropriation of income and setting of the dividend for the financial year ended 31 December 2021

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, and having taken note of the management report of the Board of Directors for the financial year ended 31 December 2021 (included in the 2021 Universal Registration Document) and the report of the Board of Directors for the General Meeting, resolves, as recommended by the Board of Directors, to appropriate the profit for the financial year ended 31 December 2021 as set out below:

In euros

SOURCE OF AMOUNTS TO BE APPROPRIATED	
Net income for the year	37,786,994.44
Retained earnings brought forward	113,866,679.63
Total	151,653,674.07
APPROPRIATION	
To the legal reserve	1,579.03
To payment of a dividend of €0.84 per share	26,586,241.92
To retained earnings	125,065,853.12
Total	151,653,674.07

notes that:

- these amounts are calculated on the basis of the number of shares comprising the capital and the number of treasury shares held as at 31 December 2021, and may be adjusted to take into account the number of shares comprising the capital and the number of treasury shares held on the ex-dividend date,
- the distributable profit corresponding to the dividend not paid on treasury shares will be reposted as retained earnings,

■ these amounts are calculated without the extra 10% dividend payable on eligible shares for the financial year ended 31 December 2021, and may be adjusted to take into account the actual number of shares eligible for this extra dividend on the ex-dividend date,

sets, accordingly, the dividend payable on each share with dividend rights at €0.84,

sets the ex-dividend date at 9 June 2022 and resolves that the dividend will be paid on 8 July 2022,

notes that this dividend is eligible for the 40% tax relief pursuant to Article 158(3)(2) of the French General Tax Code, when opted for and in accordance with the terms and conditions laid down by applicable laws and regulations,

and notes that the following dividends have been distributed in respect of the last three financial years:

Financial year	Dividend per share (in euros)	Total dividend (in euros)	Relief pursuant to Article 158 (3) (2°) of the French Tax Code
2018	0.65	20,015,667	40%
2019	0.70	21,824,746	40%
2020	0.80	25,351,551	40%

7.2.1.2. Fourth, fifth and sixth resolutions: corporate officer remuneration

Explanation

The fourth resolution is presented to the General Meeting in accordance with the provisions of Article L. 22-10-34 (I) of the French Commercial Code, which requires companies to ask their shareholders to approve, at a General Meeting, the information relating to the remuneration of each Company corporate officer for the financial year under review which, in accordance with Article L. 22-10-9 (I) of the French Commercial Code, must be set out in the report on corporate governance referred to in Article L. 225-37 of the French Commercial Code.

This information is set out in Section 2.4 of the 2021 Universal Registration Document. Information on the Chairman and Chief Executive Officer's remuneration is specifically submitted for the approval of the General Meeting by means of the fifth resolution.

The fifth resolution is presented to the General Meeting in accordance with the provisions of Article L. 22-10-34 (II) of the French Commercial Code, which requires companies to ask their shareholders to approve, at a General Meeting, the fixed, variable and exceptional components of the remuneration and benefits paid or awarded to the Chairman and Chief Executive Officer for the previous financial year.

The shareholders' vote will be a binding vote. If the shareholders vote against the resolutions put to them at the General Meeting, the officers will nevertheless receive the fixed components of their remuneration, but will not receive the variable and exceptional components.

Shareholders are asked to vote on the remuneration due or awarded for the 2021 financial year to Frédéric Moyne in respect of his duties as Chairman and Chief Executive Officer. The vote will cover the following remuneration components:

- the remuneration due for the 2021 financial year, meaning the remuneration earned that is certain, both in terms of entitlement and the amount, whether or not paid;
- the remuneration awarded for the 2021 financial year, that is, remuneration in the form of securities and/or cash, the award of which is agreed although the amount and/or the number of securities are unknown at the time of implementation or award and which, accordingly, can only be estimated, where applicable.

These remuneration components are presented in detail in Section 2.4.2 on pages 134 *et seq.* of the 2021 Universal Registration Document. They are summarised in the following table.

Remuneration due or awarded, for the 2021 financial year, to Frédéric Moyne, Chairman and Chief Executive Officer

Remuneration	Amounts or estimates put to the vote (in thousands of euros)	Explanation
Fixed remuneration related to the exercise of the duties of Chairman and Chief Executive Officer	350.0	Information on the fixed component of the remuneration granted to the Chairman and Chief Executive Officer for the 2021 financial year and changes in this remuneration can be found in Section 2.4.2.3 on page 135 of the 2021 Universal Registration Document.
Variable annual remuneration	429.1	Information on the variable component of the Chairman and Chief Executive Officer's remuneration for the 2021 financial year, the quantitative and qualitative criteria used to fix this amount and the cap on the qualitative component, can be found in Section 2.4.2.3 on page 136 of the 2021 Universal Registration Document.
Variable deferred remuneration	n/a	No variable deferred remuneration
Variable multi-year remuneration	n/a	No variable multi-year remuneration
Exceptional remuneration	n/a	No exceptional remuneration
Options to subscribe or purchase shares, performance-related shares or any other long-term remuneration	350.5	Allotment of 22,500 performance shares under the "2021" bonus performance share plan implemented by the Board of Directors under the authorisation granted by the General Meeting of 29 May 2020. Information on share subscription or purchase plans and bonus performance share plans in operation as at the filing date of the 2021 Universal Registration Document can be found in Sections 2.4.2.7 on pages 139 <i>et seq.</i> and 6.4.3.1 on pages 285 <i>et seq.</i> of the 2021 Universal Registration Document.
Remuneration for exercise of duties as Director	n/a	No remuneration for exercise of duties as Director
Value of benefits in kind	54.5	Information on the benefits in kind granted to the Chairman and Chief Executive Officer for the 2021 financial year can be found in Section 2.4.2.3 on page 137 of the 2021 Universal Registration Document.
Severance pay	-	Information on the severance payment potentially payable to Frédéric Moyne if he had been removed from the office of Chief Executive Officer or his appointment had not been renewed can be found in Section 2.4.2.8 on pages 141 <i>et seq.</i> of the 2021 Universal Registration Document. At the General Meeting of 24 May 2016 the shareholders most recently approved, on the basis of the special report of the Statutory Auditors, the terms and conditions of this severance payment decided by the Board of Directors at its meeting of 1 March 2016 (sixth resolution).
Indemnity payable under a covenant not to compete	-	Information on indemnity under a covenant not to compete potentially payable to Frédéric Moyne if he ceases to hold office as Chief Executive Officer can be found in Section 2.4.2.8 on pages 141 <i>et seq.</i> of the 2021 Universal Registration Document. At the General Meeting of 24 May 2016, the shareholders most recently approved, on the basis of the special report of the Statutory Auditors, the terms and conditions of this indemnity under a covenant not to compete decided by the Board of Directors at its meeting of 1 March 2016 (seventh resolution).
Supplementary retirement plan	n/a	There is no supplementary pension plan with the characteristics of commitments governed by Article R. 225-29-1 of the French Commercial Code.

The sixth resolution is presented to the General Meeting in accordance with the provisions of Article L. 22-10-8 (II) of the French Commercial Code, which requires companies to ask their shareholders to approve, at a General Meeting, the corporate officer remuneration policy.

Approval of the shareholders at a General Meeting is required each year and whenever a significant change is made to the remuneration policy. The shareholders' vote will be a binding vote. If the General Meeting votes against this resolution, the remuneration policy approved by the General Meeting of 25 May 2021 will continue to apply; the Board of Directors will be responsible for submitting for approval at the next General Meeting a draft resolution presenting a revised remuneration policy and indicating how the shareholders' votes have been taken into consideration and, where relevant, the opinions expressed at the General Meeting.

No remuneration of any kind may be awarded or paid to the corporate officers, and no commitment corresponding to remuneration, indemnity or benefits due or likely to be due as a result of the taking up, cessation of or change in their duties or subsequent to the exercise of such duties, may be made if it is not in accordance with the remuneration policy submitted for approval by the shareholders under this resolution or, failing approval of said remuneration policy, with the remuneration policy approved by the General Meeting of 25 May 2021. However, under exceptional circumstances,

the Board of Directors may derogate from application of the remuneration policy if such derogation is temporary, in the Company's interest and necessary to guarantee the Company's long-term survival or viability.

The resolution put to the vote relates to the remuneration policy applicable to:

- the Chairman and Chief Executive Officer (as at the filing date of the 2021 Universal Registration Document, Frédéric Moyne, as regards the exercise of his duties as Chairman and Chief Executive Officer);
- the non-executive corporate officers (as at the filing date of the 2021 Universal Registration Document, the Directors other than the Chairman and Chief Executive Officer).

The corporate officer remuneration policy as from 1 January 2022 was drawn up by the Board of Directors on the basis of the recommendations of the Nomination, Remuneration and Governance Committee. It is presented in detail in Section 2.4.3 on pages 143 et seq. of the 2021 Universal Registration Document, and summarised in the following tables.

Remuneration policy for the Chairman and Chief Executive Officer as from 1 January 2022

Remuneration	Principles and criteria applied to determine, allocate and award remuneration submitted for approval	Implementation for the 2022 financial year
Fixed and variable annual remuneration	<p>The annual remuneration of the Chairman and Chief Executive Officer is comprised of a fixed component and, for the Chief Executive Officers only, a variable component based on the achievement of demanding quantitative and qualitative financial and non-financial objectives, determined at the start of the financial year in line with the strategy approved by the Board of Directors. Non-executive corporate officers do not receive any variable remuneration.</p> <p>The fixed remuneration payable to the Chairman and Chief Executive Officer and the methods used to determine the variable remuneration payable to the Chief Executive Officers (in particular the financial and non-financial quantitative and qualitative objectives they will be required to achieve) are determined by the Board of Directors on the basis of recommendations by the Nomination, Remuneration and Governance Committee, developed on the basis of an analysis of the practices of a panel of comparable companies and the performance of the senior executives.</p> <p>The fixed remuneration received by the Chairman and Chief Executive Officer is only reviewed every two or three years.</p>	<p>Chairman and Chief Executive Officer All-inclusive gross annual fixed remuneration of €350,000, payable in 12 instalments, plus variable remuneration capped at 133% of the fixed remuneration in respect of 2022, the target variable remuneration corresponding to 100% of the fixed remuneration. Payment of this variable remuneration will be subject to the shareholders voting, at the General Meeting held in 2023 to vote on the financial statements for the 2022 financial year, in favour of the remuneration allocated to the Chairman and Chief Executive Officer for the 2021 financial year. See additional information in Section 2.4.3 on pages 143 et seq. of the 2021 Universal Registration Document.</p>
Bonus performance share plans and options to subscribe or purchase shares	<p>The Company's remuneration policy does not provide for any long-term incentive programmes of any type whatsoever for the non-executive corporate officers.</p> <p>The long-term incentive programme for the Chief Executive Officers takes the form of the award of bonus performance shares or options to subscribe or purchase shares, depending <i>inter alia</i> on the tax and employment rules that apply at the time they are awarded. The aim of this long-term incentive programme is to ensure that the interests of the Chief Executive Officers remain in line with those of the shareholders.</p> <p>Vesting of the performance shares awarded, or exercise of options to subscribe or purchase shares, as the case may be, is subject to exacting performance conditions, combining internal criteria and external criteria which, as far as is possible, are measured while taking into consideration the performance of the Company and its Group compared to its market environment. The existing plans cover performance over at least three years.</p> <p>Based on the recommendations of the Nomination, Remuneration and Governance Committee, the Board of Directors determines the bonus performance shares and options to subscribe or purchase shares to be allotted to the Chief Executive Officers, ensuring, in particular, that the value of these allotments, i.e. the value used pursuant to IFRS 2 after taking into account, in particular, any discounts relating to performance criteria, does not represent a disproportionate portion of the total remuneration of the Chairman and Chief Executive Officer and that the portion of the allotments reserved for the Chief Executive Officers within a plan is in accordance with market practices.</p> <p>If the Chairman and Chief Executive Officer stands down or is removed from office before the end of the vesting period for the performance shares or the options awarded, the award will be cancelled, other than in those cases when the special rules relating to death or disability apply.</p>	<p>Chairman and Chief Executive Officer Allotment of 24,320 rights under the "2022" bonus performance share plan implemented by the Board of Directors under the authorisation granted by the General Meeting of 29 May 2020. See additional information in Sections 2.4.3 on page 145 and 6.4.3.1 on page 289 of the 2021 Universal Registration Document.</p>
Welcome packages	<p>The Company's remuneration policy does not provide for the payment of a welcome package to the Chairman and Chief Executive Officer.</p>	<p>Chairman and Chief Executive Officer Not applicable.</p>
Remuneration and commitments on departure	<p>Chief Executive Officers may benefit from certain commitments when they cease to hold office, such as severance pay and/or indemnity paid under a covenant not to compete. The terms, conditions and amounts comply with the recommendations set out in the AFEP-MEDEF Corporate Governance Code.</p>	<p>Chairman and Chief Executive Officer Severance pay in the event of removal from office or non-renewal of his appointment approved at the General Meeting of 24 May 2016 on the basis of the special report by the Statutory Auditors (see additional information in Sections 2.4.3 on page 145 and 2.4.2.8 on pages 141 et seq. of the 2021 Universal Registration Document). Indemnity under a covenant not to compete in the event he ceases to hold office approved at the General Meeting of 24 May 2016 on the basis of the special report by the Statutory Auditors (see additional information in 2.4.3 on page 145 and 2.4.2.8 on pages 141 et seq. of the 2021 Universal Registration Document).</p>
Remuneration under agreements concluded with the Company or its Group	<p>The Company's remuneration policy does not provide for the payment of remuneration to the Chairman and Chief Executive Officer under any agreement concluded with the Company or its Group.</p> <p>If the Chairman and Chief Executive Officer held an employment contract prior to his or her appointment, the contract is terminated or, if justified by special circumstances, suspended.</p>	<p>Chairman and Chief Executive Officer None.</p>
Benefits in kind, occupational insurance and retirement benefits	<p>The benefits in kind received by the Chairman and Chief Executive Officer are limited to use of a company car and the payment by the Company of the contributions in respect of the insurance cover for company managers and executives (Garantie Sociale des Chefs et Dirigeants d'Entreprise - GSC). This includes the reintegration of contributions to insurance welfare plans available within the Group with which they are registered (covering healthcare, incapacity, disability and death).</p> <p>If their personal circumstances permit this, the Chairman and Chief Executive Officer are registered with the occupational insurance plan (covering healthcare, incapacity, disability and death) and the mandatory defined contribution supplementary pension plan, like all the Company's employees.</p>	<p>Chairman and Chief Executive Officer See additional information in Section 2.4.3 on page 145 of the 2021 Universal Registration Document.</p>
Other remuneration	<p>The Company's remuneration policy does not provide for the payment of any other type of remuneration to the Chairman and Chief Executive Officer. More specifically, they do not receive any remuneration in any form whatsoever from the Company's subsidiaries or any companies that control it.</p>	<p>Chairman and Chief Executive Officer None.</p>

Remuneration	Principles and criteria applied to determine, allocate and award remuneration submitted for approval	Implementation for the 2022 financial year
Remuneration for exercise of duties as Director	Non-executive corporate officers only receive remuneration in their capacity as Director. The maximum amount to be allocated between the Directors in this respect is set by the General Meeting, and the actual apportionment of the sums between Directors is decided by the Board of Directors alone, in view of recommendations by the Nomination, Remuneration and Governance Committee. Amounts allocated may reflect specific tasks assigned to certain Directors, in which case the Directors may not all receive the same amount. Only independent Directors receive this remuneration. The main portion constitutes variable remuneration, paid to reward actual attendance of meetings of the Board of Directors and of its specialised Committees.	<p>Independent Directors All-inclusive fixed remuneration of €12,000 per financial year, plus, for independent Directors chairing a specialised Committee, additional fixed remuneration of €6,000 per financial year and per Committee chaired.</p> <p>Variable remuneration of €1,700 per meeting of the Board of Directors (provided they actually participate in the meeting), up to a maximum of €11,900 per Director per annum, and of €850 per meeting of a specialised Committee (provided they actually participate in the meeting), up to a maximum of €5,950 per Director per annum for the Commitments Committee and of €3,400 per Director per annum for the other Committees.</p> <p>Lead Director All-inclusive fixed remuneration of €10,000 per financial year.</p> <p>Other Directors None.</p>
Other remuneration	The Company's remuneration policy does not provide for the payment of any other type of remuneration to non-executive corporate officers. More specifically, they do not receive any remuneration in any form whatsoever from the Company's subsidiaries or any companies that control it.	<p>Independent Directors None.</p> <p>Lead Director None.</p> <p>Other Directors None.</p>

The Board of Directors invites shareholders to approve these resolutions.

Fourth resolution — Approval of the information relating to corporate officer remuneration presented in the corporate governance report referred to in Article L. 225-37 of the French Commercial Code for the financial year ended 31 December 2021

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, and having taken note of the report of the Board of Directors for the General Meeting and the report on corporate governance referred to in Article L. 225-37 of the French Commercial Code for the financial year ended 31 December 2021, approves the information relating to corporate officer remuneration presented in the corporate governance report referred to in Article L. 225-37 of the French Commercial Code, set out in Section 2.4 of the 2021 Universal Registration Document.

Fifth resolution — Approval of the remuneration due or awarded to Frédéric Moyne, Chairman and Chief Executive Officer, for the financial year ended 31 December 2021

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, and having taken note of the report of the Board of Directors for the General Meeting and the report on corporate governance referred to in Article L. 225-37 of the French Commercial Code for the financial year ended 31 December 2021,

approves the remuneration due or awarded for the financial year ended 31 December 2021 to Frédéric Moyne in respect of his duties as Chairman and Chief Executive Officer, as presented in Section 2.4 of the 2021 Universal Registration Document and as reiterated in the report by the Board of Directors to the General Meeting set out in Section 7.2 of the said Universal Registration Document.

Sixth resolution — Approval of the corporate officer remuneration policy as from 1 January 2022

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, and having taken note of the report of the Board of Directors for the General Meeting and the report on corporate governance referred to in Article L. 225-37 of the French Commercial Code for the financial year ended 31 December 2021,

approves the corporate officer remuneration policy as presented in the report on corporate governance referred to in Article L. 225-37 of the French Commercial Code for the financial year ended 31 December 2021, as set out in Section 2.4 of the 2021 Universal Registration Document and summarised in the report of the Board of Directors for the General Meeting set out in Section 7.2 of said Universal Registration Document.

7.2.1.3. Seventh resolution: setting the maximum amount of remuneration to be allocated to Directors

Explanation

The purpose of the seventh resolution is to increase the maximum total amount to be allocated to the Directors in consideration for their duties.

This proposal is set against the background of a busy schedule for the Board of Directors, thereby allowing, where necessary, additional remuneration to be paid to certain independent Directors for their membership of an *ad hoc* Committee. Aside from that, no other change is proposed to the remuneration rules for Directors as laid down in the non-executive corporate officer remuneration policy as from 1 January 2022.

The €225,000 budget currently authorised by the General Meeting will thus be raised to €250,000 if this resolution is adopted.

The Board of Directors invites shareholders to approve this resolution.

Seventh resolution — Setting the maximum amount of remuneration to be allocated to Directors

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, and having taken note of the report of the Board of Directors for the General Meeting,

resolves to set the maximum total amount of remuneration allocated to Directors in respect of their duties at €250,000 for the current financial year and subsequent financial years, until the General Meeting decides otherwise.

7.2.1.4. Eighth resolution: approval of the agreements governed by Article L. 225-38 of the French Commercial Code

Explanation

The purpose of the eighth resolution is to note the fact that the Board of Directors did not authorise any regulated agreements governed by Article L. 225-38 of the French Commercial Code during the 2021 financial year.

The Statutory Auditors have issued a special report recording the absence of any agreements governed by Article L. 225-38 of the French Commercial Code and requiring the approval

of the General Meeting, set out in Section 2.7.2 on page 148 of the 2021 Universal Registration Document.

The Board of Directors invites shareholders to approve this resolution.

Eighth resolution — Approval of the agreements governed by Article L. 225-38 of the French Commercial Code

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, and having taken note of the following:

- the report of the Board of Directors for the General Meeting,
- the special report of the Statutory Auditors on the agreements and commitments governed by Article L. 225-38 of the French Commercial Code,

notes the fact that no agreements governed by Article L. 225-38 of the French Commercial Code and not yet approved by the General Meeting were authorised by the Board of Directors during the financial year ended 31 December 2021.

7.2.1.5. Ninth resolution: reappointment of Mr. Pierre Bouchut as a Director

Explanation

The purpose of the ninth resolution is to renew the appointment of Mr. Pierre Bouchut as a Director, which will expire at the close of the General Meeting of 25 May 2022.

The Board of Directors, on the basis of the recommendations made by the Nomination, Remuneration and Governance Committee, proposes that the General Meeting renew this appointment for a four-year term to expire at the close of the General Meeting to be called in 2026 to approve the 2025 financial statements.

If the General Meeting approves this proposal, the Board of Directors will be asked to reappoint Mr. Pierre Bouchut as Lead Independent Director, Chairman of the Audit, Accounts and Risks Committee and member of the Nomination, Remuneration and Governance Committee.

Information on the offices and positions held by Mr. Pierre Bouchut, including the offices and positions held during the last five years, is set out in Section 2.3.2.1 on page 102 of the 2021 Universal Registration Document.

The Board of Directors invites shareholders to approve this resolution.

Ninth resolution – Reappointment of Mr. Pierre Bouchut as a Director

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, and having taken note of the report of the Board of Directors for the General Meeting,

notes that Mr. Pierre Bouchut's term of office as a Director will expire at the close of this General Meeting,

and accordingly resolves to reappoint Mr. Pierre Bouchut as a Director for a four-year term of office to expire at the close of the General Meeting to be held in 2026 to approve financial statements for the financial year ending 31 December 2025.

7.2.1.6. Tenth and eleventh resolutions: reappointment of the Statutory Auditors

Explanation

The purpose of the tenth and eleventh resolutions is to renew the appointments of the principal Statutory Auditors and, insofar as necessary, record the expiry of the term of office of the alternate Statutory Auditors. The terms of office of the current principal and alternate Statutory Auditors will in fact expire at the close of the General Meeting of 25 May 2022. The Board of Directors proposes that the shareholders:

- reappoint PricewaterhouseCoopers Audit as principal Statutory Auditor for a six-year term of office expiring at the close of the General Meeting to be called in 2028 to approve the financial statements for the financial year ending 31 December 2027, and record the expiry of the term of office of the alternate Statutory Auditor Jean-Baptiste Deschryver (tenth resolution);
- reappoint Mazars as principal Statutory Auditor for a six-year term of office expiring at the close of the General Meeting to be called in 2028 to approve the financial statements for the financial year ending 31 December 2027, and record the expiry of the term of office of the alternate Statutory Auditor Simon Beillevaire (eleventh resolution);

Pursuant to Article L. 821-1 of the French Commercial Code, renewal of the appointments of the principal Statutory Auditors will require them to change their signatory partners. Jérôme Mouazan, the signing partner at PricewaterhouseCoopers Audit, will thus be succeeded by Itto El Hariri. Daniel Escudeiro, the signing partner at Mazars, will in turn be succeeded by Ariane Mignon.

If the General Meeting adopts these resolutions, Mazars, which was first appointed as principal Statutory Auditor by the General Meeting of 27 May 2004, will begin a fourth and final six-year term of office. PricewaterhouseCoopers Audit, which was first appointed as principal Statutory Auditor

by the General Meeting of 18 May 2010, would be granted a fourth and final six-year term of office.

This proposal by the Board of Directors results from the work carried out by the Audit, Accounts and Risks Committee during the 2021 financial year. The Committee's work included:

- evaluating the strength of the external auditing and the Committee's relationship with the external auditors over the past number of years;
- assessing the impartiality of both members of the panel of Statutory Auditors, and more specifically ensuring that reappointment for an additional six-year term of office would not affect the impartiality of the external auditors;
- assessing the level of skills, experience and availability of the new signatory partners for each member of the panel of Statutory Auditors;
- reviewing past changes to fees paid to the Statutory Auditors and the fees proposed with effect from the 2022 financial year, if their appointments are renewed;
- verifying that the renewal of the appointments of both Statutory Auditors is compatible with the European audit reform resulting from European Regulation 537/2014 of 16 April 2014, which came into force on 17 June 2016 and has been transposed into French law by ordinance no. 2016-315 of 17 March 2016.

The Audit, Accounts and Risks Committee's work led it to recommend that the Board of Directors ask the General Meeting to renew the appointments of each of the members of the panel of Statutory Auditors. Both the Board of Directors and the Committee have observed that this renewal of appointments would enable the Company to rely on the services of an impartial and experienced panel of Statutory Auditors who, in view of their international networks and members, would be in a position to conduct the appropriate audits and reviews of the Group's foreign entities and new international operations. The Board of Directors invites shareholders to approve these resolutions.

The General Meeting is also asked to approve a proposal to amend Article 30 of the Memorandum and Articles of Association with a view to removing the requirement for the Company to appoint alternate Statutory Auditors where the position of principal Statutory Auditor is filled by multi-member legal entities, and is thus not asked to reappoint the alternate Statutory Auditors or to appoint new alternate Statutory Auditors.

The Board of Directors invites shareholders to approve these resolutions.

Tenth resolution — Reappointment of PricewaterhouseCoopers Audit as principal Statutory Auditor and recording of the expiry of the term of office of the alternate Statutory Auditor Jean-Baptiste Deschryver

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, and having taken note of the report of the Board of Directors for the General Meeting,

notes that PricewaterhouseCoopers Audit's term of office as principal Statutory Auditor will expire at the close of this General Meeting,

and resolves, accordingly, to reappoint PricewaterhouseCoopers Audit as principal Statutory Auditor for a six-year term of office expiring at the close of the General Meeting to be called in 2028 to approve the financial statements for the financial year ending 31 December 2027,

also notes that Jean-Baptiste Deschryver's term of office as alternate Statutory Auditor will expire at the close of this General Meeting, and resolves not to reappoint him.

Eleventh resolution — Reappointment of Mazars as principal Statutory Auditor and recording of the expiry of the term of office of the alternate Statutory Auditor Simon Beillevaire

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, and having taken note of the report of the Board of Directors for the General Meeting,

notes that Mazars' term of office as principal Statutory Auditor will expire at the close of this General Meeting,

and resolves, accordingly, to reappoint Mazars as principal Statutory Auditor for a six-year term of office expiring at the close of the General Meeting to be called in 2028 to approve the financial statements for the financial year ending 31 December 2027,

also notes that Simon Beillevaire's term of office as alternate Statutory Auditor will expire at the close of this General Meeting, and resolves not to reappoint him.

7.2.1.7. Twelfth resolution: grant of authorisation to the Board of Directors to allow the Company to buy back its own shares within the framework of a share buyback programme

Explanation

The purpose of the twelfth resolution is to renew the grant of authorisation to the Board of Directors to allow the Company to buy back its own shares within the framework of a share buyback programme.

During the 2021 financial year, the Board of Directors held two successive authorisations to buy back the Company's own shares within the framework of a share buyback programme, granted by the General Meetings of 29 May 2020 and 25 May 2021. The authorisation granted on 25 May 2021 invalidated the unused part of the authorisation granted on 29 May 2020.

During the 2021 financial year, shares were bought back pursuant to these authorisations to allow Rothschild Martin Maurel to implement a market making agreement designed to improve the liquidity of the Albioma stock on the Euronext Paris market and to ensure the servicing of the ongoing performance share plans and the redeemable share subscription and/or purchase warrant plan established in 2018 (see further information in Sections 6.2.2.2 on pages 269 *et seq.* and 6.3.6.2 on pages 279 *et seq.* of the 2021 Universal Registration Document).

The Board of Directors proposes that the General Meeting renew the existing authorisation, granted on 25 May 2021, for a period of 18 months and cancel the unused part of the authorisation.

If the General Meeting approves this proposal, the objectives that could be met within the framework of the authorisation granted will be as follows:

- the implementation of a market making agreement,
- the implementation of the Company's bonus share plans, stock option plans and any allotments, allocations or sales of shares, in particular under any scheme to share in the Company's profits;
- the delivery of shares when rights attached to securities giving access to the Company's shares are exercised;
- cancellation of shares bought back by means of a capital reduction;
- the keeping of shares with a view to their subsequent delivery as payment or in exchange within the framework of acquisitions;
- the implementation of any other market practices accepted or recognised by the law or the AMF and, more generally, the fulfilment of any other objective allowed by applicable regulations.

The maximum number of shares that may be purchased under this authorisation may not exceed 10% of the capital on the date of purchase. Share purchases may not, under any circumstances, result in the Company directly or indirectly holding more than 10% of its capital. As an exception to the above, the maximum number of shares that may be purchased in order to keep them and subsequently deliver them as payment or in exchange within the framework of a merger, spin-off or contribution may not exceed 5% of the capital on the date of purchase.

The aggregate purchases, net of costs, may not exceed €35 million. The maximum purchase price per share may not exceed €60, subject to the adjustments required under applicable laws and regulations.

The purchases may be carried out by any means, on the market or off the market, including through block trades, although trading in options and derivatives is prohibited.

In the event of a public offering for the Company's securities, this authorisation will be suspended automatically during the offer period.

A description of this share buyback programme can be found in section 6.3.6.2 on page 283 of the 2021 Universal Registration Document.

The Board of Directors invites shareholders to approve this resolution.

Twelfth resolution — Grant of authorisation to the Board of Directors to allow the Company to buy back its own shares within the framework of a share buyback programme

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, and having taken note of the report of the Board of Directors for the General Meeting,

resolves to authorise the Board of Directors, in accordance with Articles L. 22-10-62 *et seq.* of the French Commercial Code, Articles 241-1 to 241-6 of the French Financial Markets Authority's (AMF) General Regulation and EC Regulation no. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, to purchase or arrange for the purchase of the Company's shares,

resolves that the objectives of such share purchases will be as follows:

- to ensure liquidity and foster the market for the Company's shares through the intermediary of an investment services provider acting completely independently under a market-making agreement and in accordance with a code of conduct recognised by the AMF,
 - to implement all allotments of bonus shares under a company or group savings plan in accordance with Articles L. 3332-1 *et seq.* of the French Labour Code, or in accordance with Articles L. 225-197-1 *et seq.* of the French Commercial Code, all stock option plans for the purchase of Company shares in accordance with Articles L. 225-177 *et seq.* of the French Commercial Code, and all allotments, allocations or sales of shares, in particular under any scheme to share in the Company's profits, and to carry out any hedging transactions in connection therewith, in accordance with the terms and conditions laid down by applicable laws and regulations and at the times chosen by the Board of Directors or the person to whom the Board of Directors has delegated authority,
 - to deliver shares when rights attached to securities giving immediate or subsequent access, by any means, to the Company's shares are exercised, and to carry out any hedging transactions in connection with the Company's obligations related to such securities, under the terms and conditions laid down by applicable laws and regulations and at the times chosen by the Board of Directors or the person to whom the Board of Directors has delegated authority,
 - cancellation of some or all of the shares bought back by means of a capital reduction;
 - to keep the shares with a view to their subsequent delivery as payment or in exchange within the framework of acquisitions, in accordance with applicable laws and regulations,
 - to implement any other market practices accepted or recognised by the law or the AMF and, more generally, to achieve any other objective allowed by applicable regulations,
- resolves that this authorisation may be implemented subject to the following terms and conditions:
- the maximum number of shares that can be purchased may not exceed 10% of the number of shares comprising the capital on the date of purchase, and purchases made by the Company pursuant to this authorisation may not, under any circumstances, result in it directly or indirectly holding more than 10% of the shares comprising the share capital,
 - the number of shares that can be purchased by the Company in order to keep them and subsequently deliver them as payment or in exchange within the framework of a merger, spin-off or contribution may not exceed 5% of the shares comprising the capital on the date of purchase,

- the aggregate purchases, net of costs, may not exceed €35 million.
- the maximum purchase price per share must not exceed €60, and in the event of capital transactions such as the capitalisation of reserves followed by the issue and allotment of shares and/or a stock split or reverse stock split operation, this maximum purchase price will be adjusted accordingly by applying a factor corresponding to the ratio between the number of shares comprising the capital before the relevant transaction and the number of shares after the transaction,

resolves that the purchase, sale or transfer of the shares may be carried out, in compliance with applicable regulations, by any means, in particular on the market or off the market, in particular over-the-counter, including through block trades or a public offering. There is no limit on the proportion of securities subject to block trading, and block trades may account for the entire share buyback programme. However, trading in options or derivatives is prohibited,

notes that the shares purchased and kept by the Company shall be stripped of their voting rights, and that no dividend will be paid thereon,

resolves to grant this authorisation for a period of 18 months, with effect from the date of this General Meeting,

resolves that this authorisation cancels and supersedes the unused part of the authorisation granted in the eleventh resolution adopted at the General Meeting held on 25 May 2021,

resolves that in the event of a public offering for the Company's securities, this authorisation will be suspended automatically during the offer period.

and grants full powers to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, to implement this share buyback programme and, more specifically, to place any orders on the market, sign any agreements, including agreements relating to registers of share purchases and sales, draw up any documents, including in particular information documents, carry out all formalities and file all statements, including the allocation or reallocation of shares purchased on the basis of the various objectives, and, more generally, do whatever is necessary and appropriate.

7.2.2. RESOLUTIONS PUT TO THE EXTRAORDINARY GENERAL MEETING

7.2.2.1. Thirteenth resolution: grant of authorisation to the Board of Directors to reduce the Company's capital by cancelling shares purchased by the Company within the framework of a share buyback programme

Explanation

The purpose of the thirteenth resolution is to renew the authorisation granted to the Board of Directors to reduce the Company's capital by cancelling shares purchased by the Company within the framework of a share buyback programme.

The Statutory Auditors have issued a report on this resolution, set out in Section 7.3.1 on page 316 of the 2021 Universal Registration Document.

The Board of Directors has not used the existing authorisation, granted to it by the General Meeting at its meeting of 25 May 2021.

The Board of Directors proposes that the General Meeting renew this authorisation for a period of 18 months and cancel the unused part of the existing authorisation.

If the General Meeting approves this proposal, the authorisation granted will allow the Company to fulfil one of the objectives authorised within the framework of a share buyback programme.

As part of this authorisation, the share capital may be reduced, in one or several transactions, within the limit of 10% of the capital per 24-month period, by cancelling the shares acquired within the framework of a share buyback programme.

The Board of Directors invites shareholders to approve this resolution.

Thirteenth resolution — Grant of authorisation to the Board of Directors to reduce the Company's capital by cancelling shares purchased by the Company within the framework of a share buyback programme

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings,

and having taken note of the following:

- the report of the Board of Directors for the General Meeting,
- the report of the Statutory Auditors on the thirteenth resolution,

resolves to authorise the Board of Directors, in accordance with Articles L. 22-10-62 *et seq.* of the French Commercial Code, to reduce the capital in one or several transactions, in

the proportions and at the times decided by it, by cancelling all or part of the shares acquired within the framework of any authorised share buyback programme, within a limit of 10% of the capital per 24-month period,

resolves to grant this authorisation for a period of 18 months, with effect from the date of this General Meeting,

resolves that this authorisation invalidates the unused part of any previous authorisation for the same purpose,

and grants full powers to the Board of Directors, with the power to sub-delegate pursuant to applicable laws and regulations, in order to reduce the capital by cancelling shares, and in particular to set the final amount of the capital reduction, define the terms and conditions and record completion, charge the difference between the carrying amount of the cancelled shares and their par value to any available reserves or premium accounts, amend the Memorandum and Articles of Association accordingly, carry out all formalities and file all statements and, more generally, do whatever is necessary and appropriate.

7.2.2.2. Fourteenth resolution: delegation of authority to the Board of Directors to decide to issue redeemable share subscription and/or purchase warrants ("BSAAR warrants") to employees and Chief Executive Officers of the Company and its subsidiaries, with the waiver of preferential subscription rights

Explanation

The purpose of the fourteenth resolution is to delegate authority to the Board of Directors to decide to issue, with the waiver of preferential subscription rights, redeemable share subscription and/or purchase warrants ('BSAAR warrants') to employees and Chief Executive Officers (namely on the date of filing of the 2021 Universal Registration Document, the Chairman and Chief Executive Officer) of the Company and its subsidiaries.

The Statutory Auditors have issued a report on this resolution, set out in Section 7.3.2 on page 317 of the 2021 Universal Registration Document.

Following on from the redeemable share subscription and/or purchase warrant plan established in 2018, this resolution is intended to allow all the Group's senior managers (i.e., approximately 40 people, including the Company's Chairman and Chief Executive Officer and the other Executive Committee members) to invest in the medium term, without any contribution from the Company, a considerable proportion of their personal savings in Albioma stock via a financial

product with a potential for substantial gain if the stock performs well on the market, but with a high risk of losing the full amount invested. The requested authorisation would thus offer optimal alignment of the interests of the Group's senior managers with those of its shareholders, over the medium term.

The Board of Directors proposes that the General Meeting grant this delegation for a period of 18 months.

If the shareholders adopt this resolution, the Board of Directors will have the authority to decide, once or more than once, with the power to sub-delegate, to issue redeemable share subscription and/or purchase warrants ('BSAAR warrants') to employees and Chief Executive Officers of the Company and its French and foreign subsidiaries.

Each BSAAR warrant will entitle its holder, for a set period of time, to subscribe for (or, if the Company so decides, to purchase) one Albioma share at a predetermined price. The maximum nominal amount of any capital increases that may be carried out as a result of this delegation may not exceed 3.5% of the capital on the date on which the issue is decided. This will be increased, where applicable, by the additional nominal amount of the shares that may be issued to protect the rights of holders of securities giving access to capital.

The shareholders' preferential subscription rights to the BSAAR warrants to be issued pursuant to this delegation of authority will be waived, in favour of employees and Chief Executive Officers (namely on the date of filing of the 2021 Universal Registration Document, the Chairman and Chief Executive Officer) of the Company and of its French and foreign subsidiaries. The Board of Directors will draw up a list of persons within this category who will be authorised to subscribe for the BSAAR warrants, indicating the maximum number of warrants available to each person. As a result, the Company's Chief Executive Officers will not vote on the fourteenth resolution.

If this delegation is used, the issue price of the BSAAR warrants will be determined by the Board of Directors on the basis of the instrument's market value, and the calculation will be confirmed by a report by an independent expert appointed by the Board of Directors. The subscription price will be based on a number of parameters affecting the value of the warrants on their issue date, including in particular the warrant exercise price, the lock-in period and the exercise period, the threshold at which the redemption option may be triggered, the redemption period, the interest rate, the dividend policy, the price and the volatility of the Company share.

The Board of Directors will also determine the BSAAR warrant exercise price, on the understanding that each warrant will entitle its holder to subscribe for (or, if the Company so decides, to purchase) one Company share at a predetermined price, which will correspond to 120% of the average closing price of the Company's shares over the 20 trading days prior to the date of the issue decision.

The BSAAR warrants that may be issued pursuant to this delegation of authority will remain locked in and may not be exercised for at least three years. At the end of the three-year lock-in period, the warrants may be exercised or sold during an exercise period of at least three years, on the understanding that the issued warrants will be listed on Euronext or Euronext Growth. The Board of Directors will accordingly be entitled to require that the warrants are exercised within a set time period, in which case any warrants that are not exercised within that time period will be redeemed at a symbolic price only. The Board of Directors will determine the threshold at which the redemption option may be triggered, the redemption period and the price at which warrants will be redeemed.

Under this delegation, shareholders will be automatically deemed to have waived, in favour of the holders of the BSAAR warrants issued, their preferential subscription rights in respect of shares in the Company to which said holders will be entitled by exercising said warrants.

In the event of a public offering for the Company's securities, this authorisation will be suspended automatically during the offer period.

The Board of Directors will report on its use of this delegation of authority at the next Ordinary General Meeting, in accordance with the applicable laws and regulations.

The Board of Directors invites shareholders to approve this resolution.

Fourteenth resolution — Delegation of authority to the Board of Directors to decide to issue redeemable share subscription and/or purchase warrants ("BSAAR warrants") to employees and Chief Executive Officers of the Company and its subsidiaries, with the waiver of preferential subscription rights

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings,

and having taken note of the following:

- the report of the Board of Directors for the General Meeting,
- the report of the Statutory Auditors on the fourteenth resolution,

in accordance with the provisions of Articles L. 228-91 *et seq.*, Articles L. 225-129 *et seq.* and Article L. 225-138 of the French Commercial Code,

delegates to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, its authority to decide one or more issues, in the proportions and at the times it deems fit, of redeemable share subscription and/or purchase warrants ('BSAAR warrants'), to be subscribed for in cash or by the set-off of liquid and payable receivables,

resolves that the maximum nominal amount of the capital increases resulting from this delegation may not exceed 3.5% of the capital on the date on which the issue is decided, on the understanding that this amount will be increased, where applicable, by the additional nominal amount of ordinary shares that may be issued to protect the rights of holders of securities giving access to capital, in accordance with applicable laws and regulations and any applicable contractual provisions providing for other cases of adjustment,

resolves to waive the shareholders' preferential subscription rights to the redeemable share subscription and/or purchase warrants to be issued pursuant to this delegation of authority, and to reserve this right for employees and Chief Executive Officers (namely on the date of filing of the 2021 Universal Registration Document, the Chairman and Chief Executive Officer) of the Company and of its French and foreign subsidiaries, tasks the Board of Directors with drawing up the list of those who are authorised to subscribe for said warrants along with the maximum number of warrants for which each person may subscribe,

resolves that the Board of Directors:

- will determine the total number of redeemable share subscription and/or purchase warrants to be issued, the issue procedures, the terms and conditions of the issue agreement and, more generally, all their characteristics including in particular the subscription price, which will be determined on the basis of the instrument's market value, the calculation of which will be confirmed by a report by an independent expert. The subscription price will be based on a number of parameters affecting the value of the warrants on their issue date, including in particular the

warrant exercise price, the lock-in period and the exercise period, the threshold at which the redemption option may be triggered, the redemption period, the interest rate, the dividend policy, the price and the volatility of the Company share;

- will determine the BSAAR warrant exercise price, on the understanding that each warrant will entitle its holder to subscribe for (or, if the Company so decides, to purchase) one Company share at a predetermined price, which will correspond to 120% of the average closing price of the Company's shares over the 20 trading days prior to the date of the issue decision,

records that under this delegation, shareholders will be automatically deemed to have waived, in favour of the holders of the BSAAR warrants issued, their preferential subscription rights in respect of shares in the Company to which said holders may be entitled by exercising said warrants,

resolves to grant this delegation for a period of 18 months, with effect from the date of this General Meeting,

resolves that, in the event that the Board of Directors uses this delegation, it will be required to report back to the next Ordinary General Meeting on its use of this delegation in accordance with applicable laws and regulations,

resolves that in the event of a public offering for the Company's securities, this delegation will be suspended automatically during the offer period,

and grants full powers to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, to implement this delegation, and in particular to:

- determine the minimum and maximum number of warrants available to each beneficiary,
- set the lock-in period for the warrants,
- determine the final number of warrants to be issued at the end of the subscription period,
- set the time periods during which the warrants will entitle their holders to purchase or subscribe for Company shares, and the percentages that can be purchased or subscribed for,
- determine the number of shares to be issued, their issue price and the date from which dividend and other rights will accrue,
- determine the process for exercising the redemption option and in particular the threshold at which it may be triggered, the redemption period and the redemption price,
- record, once or more than once, with the power to sub-delegate, completion of any capital increase that may

result from the exercise of the warrants and amend the Memorandum and Articles of Association accordingly,

- unilaterally decide to allocate the cost of the capital increase against the amount of the relevant premiums and deduct the sums required to fund the statutory reserve from this amount, and
- make any adjustments necessary to take account of the impact of transactions involving the Company's capital, including in particular changes to the nominal value of shares, capitalisation of reserves, the award of bonus shares, or any other transaction involving the shareholders' equity or the capital, and determine the terms and procedures that may be introduced to protect the rights of warrant holders,
- amend the warrant issue agreement if it considers this necessary (subject to the consent of the warrant holders when necessary),
- and take such steps as are appropriate and enter into any agreements for the purpose of implementing this delegation, in particular to ensure the successful completion of the planned issues, record completion and make the corresponding amendments to the Memorandum and Articles of Association, carry out all formalities relevant for the issue, listing and servicing of the securities issued under this delegation as well as the exercise of the rights attached thereto and request any and all permissions that prove necessary.

7.2.2.3. Fifteenth resolution: delegation of authority to the Board of Directors to decide to issue ordinary shares and/or securities giving immediate or subsequent access to capital to members of company or group savings plans, with waiver of preferential subscription rights

Explanation

The purpose of the fifteenth resolution is to renew the delegation of authority granted to the Board of Directors to decide to issue ordinary shares and/or securities giving immediate or subsequent access to capital to members of company or group savings plans, with waiver of preferential subscription rights. It will enable the Board of Directors to continue to implement a proactive policy to strengthen employee share ownership.

The Statutory Auditors have issued a report on this resolution, set out in section 7.3.3 on page 318 of the 2021 Universal Registration Document.

The Board of Directors did not use the existing delegation, granted to it by the General Meeting at its meeting of 25 May 2021, in 2021. The prior delegation, which had been

granted to the Board of Directors by the General Meeting at its meeting on 29 May 2020, was used by the Board of Directors on 3 March 2021 (see additional information in Sections 6.2.2.2 on pages 269 *et seq.* and 6.3.4 on page 279 of the 2021 Universal Registration Document).

The Board of Directors proposes that the General Meeting renew this delegation for a period of 26 months and cancel the existing delegation.

If the General Meeting approves this proposal, the Board of Directors will have the authority to decide, with the power to sub-delegate, to issue shares and/or securities giving access to capital to members of one or more company or group savings plans, where applicable by means of employee share ownership mutual funds.

The maximum nominal amount of the capital increases that may be carried out under this delegation may not exceed 1.5% of the Company's capital on the date on which the issue is decided, it being specified that:

- this nominal amount will be increased, where applicable, by the additional nominal amount of ordinary shares that may be issued to protect, in accordance with applicable laws and regulations and any applicable contractual provisions providing for other cases of adjustment, the rights of holders of securities giving access to capital,
- this nominal amount will be applied against the aggregate cap of capital increases set by the sixteenth resolution of the General Meeting of 25 May 2021 or, where applicable, against the aggregate cap of capital increases specified by a resolution that has the same purpose and is applicable during the period of validity of this resolution,
- this nominal amount will be applied against the aggregate sub-cap of capital increases set by the eighteenth resolution of the General Meeting of 25 May 2021 or, where applicable, against the aggregate sub-cap of capital increases specified by a resolution that has the same purpose and is applicable during the period of validity of this resolution,

The preferential subscription rights granted to shareholders in respect of the securities to be issued under this delegation will be waived in favour of members of the relevant savings plans.

If this delegation is used, the issue price of new shares or securities giving access to capital will be determined in accordance with the provisions of Articles L. 3332-18 *et seq.* of the French Labour Code and may not be less than 70% of the average price of the Company's shares on Euronext Paris in the 20 trading days prior to the date of the Board of

Directors' decision setting the date on which the subscription period opens (or 60% of the same average price when the lock-in period provided in the plan pursuant to Articles L. 3332-19 and L. 3332-21 of the French Labour Code is ten years or more), said average being calculated at the Board of Directors' discretion, using either the opening quoted prices, the closing prices or the volume weighted average prices during the period.

Within this framework, the Board of Directors will be authorised to reduce or cancel the above-mentioned discount, within the limits of applicable laws and regulations, in particular in order to take into account, where applicable, the legal, accounting, fiscal and employment framework of the countries in which the beneficiaries reside.

The Board of Directors may also decide to allot existing or future shares or other securities giving access to capital to members of the above-mentioned savings plans, free of charge, by way of:

- the employer's contribution that may be paid under the rules governing company or group savings plans,
- and/or, where applicable, the discount that may be applied to the subscription price in accordance with the provisions set out above.

If the members of the relevant savings plans do not subscribe for the entire capital increase within the allotted time, the capital will only be increased by the amount of the shares subscribed for and the remaining shares may be reoffered to said beneficiaries within the framework of a capital increase carried out at a later date.

In the event of a public offering for the Company's securities, this authorisation will be suspended automatically during the offer period.

The Board of Directors invites shareholders to approve this resolution.

Fifteenth resolution — Delegation of authority to the Board of Directors to decide to issue ordinary shares and/or securities giving immediate or subsequent access to capital to members of company or group savings plans, with waiver of preferential subscription rights

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings,

and having taken note of the following:

- the report of the Board of Directors for the General Meeting,

- the report of the Statutory Auditors on the fifteenth resolution,

in accordance with the provisions of Articles L. 225-129-2, L. 225-129-6, L. 225-138-1 and L. 228-91 *et seq.* of the French Commercial Code and Article L. 3332-1 *et seq.* of the French Labour Code,

delegates to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, its authority to decide to issue shares and/or securities giving access to capital, immediately or in the future, to members of company or group savings plans established jointly by the Company and French or foreign related companies in accordance with the provisions of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labour Code,

resolves to waive the preferential subscription rights granted to shareholders in respect of the securities to be issued under this delegation in favour of the beneficiaries defined above, resolves that the issue price of new shares or securities giving access to capital will be determined in accordance with the provisions of Articles L. 3332-18 *et seq.* of the French Labour Code and may not be less than 70% of the average price of the Company's shares on Euronext Paris in the 20 trading days prior to the date of the Board of Directors' decision setting the date on which the subscription period opens (or 60% of the same average price when the lock-in period provided in the plan pursuant to Articles L. 3332-19 and L. 3332-21 of the French Labour Code is ten years or more), said average being calculated at the Board of Directors' discretion, using either the first quoted prices, the closing prices or the volume-weighted average prices during the period.

and expressly authorises the Board of Directors to reduce or cancel the above-mentioned discount, within the limits of applicable laws and regulations, in particular in order to take into account, where applicable, the legal, accounting, fiscal and employment framework of the countries in which the beneficiaries reside,

resolves that the maximum nominal amount of the capital increases that may be carried out under this delegation may not exceed 1.5% of the Company's capital on the date on which the issue is decided,

- it being specified that this nominal amount will be increased, where applicable, by the additional nominal amount of ordinary shares that may be issued to protect,

in accordance with applicable laws and regulations and any applicable contractual provisions providing for other cases of adjustment, the rights of holders of securities giving access to capital,

- it being further specified that this nominal amount will be applied against:

- the aggregate cap of capital increases set by the sixteenth resolution of the General Meeting of 25 May 2021 or, where applicable, against the aggregate cap of capital increases specified by a resolution that has the same purpose and is applicable during the period of validity of this resolution,

- the aggregate sub-cap of capital increases set by the eighteenth resolution of the General Meeting of 25 May 2021 or, where applicable, against the aggregate cap of capital increases specified by a resolution that has the same purpose and is applicable during the period of validity of this resolution,

resolves, pursuant to the provisions of Article L. 3332-21 of the French Labour Code, that the Board of Directors may decide to allot existing or future shares or other securities giving access to the Company's capital to the beneficiaries defined above, free of charge, by way of:

- the employer's contribution that may be paid under the rules governing company or group savings plans, and/or
- if applicable, the discount,

and also resolves that if the beneficiaries described above do not subscribe for the entire capital increase within the allotted time, the capital will only be increased by the amount of the shares subscribed for and the remaining shares may be reoffered to said beneficiaries within the framework of an increase to be carried out at a later date,

resolves to grant this delegation for a period of 26 months, with effect from the date of this General Meeting,

resolves that, in the event that the Board of Directors uses this delegation, it will be required to report back to the next Ordinary General Meeting on its use of this delegation in accordance with applicable laws and regulations,

resolves that in the event of a public offering for the Company's securities, this delegation will be suspended automatically during the offer period,

and grants full powers to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to applicable laws and regulations, to implement this delegation, and in particular to:

- decide that subscriptions may be made directly or through employee mutual funds or other vehicles or entities allowed under applicable laws and regulations,
- establish the criteria applicable to companies, in order to allow their employees to benefit from the capital increases carried out under this delegation and draw up a list of said companies,
- determine the dates, terms and conditions and procedures for the issues carried out under this delegation, in particular the subscription price, fix the dates on which the subscription period opens and closes, the dates on which dividend and other rights accrue, the arrangements for paying up shares in the Company and grant extra time for payment thereof,
- unilaterally decide to allocate the cost of the capital increase against the amount of the relevant premiums and deduct the sums required to fund the statutory reserve from this amount, and
- take such steps as are appropriate and enter into any agreements for the purpose of implementing this delegation, in particular to ensure the successful completion of the planned issues, record their completion in the amount of the shares subscribed for and make the corresponding amendments to the Memorandum and Articles of Association, carry out all formalities and file all statements relevant for the issue, listing and servicing of the securities issued under this delegation as well as the exercise of the rights attached thereto and request any and all permissions that prove necessary for the carrying out and successful completion of these issues.

7.2.2.4. Sixteenth resolution: amendment of the provisions of Article 30 of the Memorandum and Articles of Association relating to the requirement to appoint alternate Statutory Auditors

Explanation

The purpose of the sixteenth resolution is to amend the provisions of Article 30 of the Memorandum and Articles of Association regarding the requirement to appoint alternative Statutory Auditors, such that this requirement only applies when the principal Statutory Auditors are individuals or single member companies.

The Board of Directors invites shareholders to approve this resolution.

Sixteenth resolution – Amendment of the provisions of Article 30 of the Memorandum and Articles of Association relating to the requirement to appoint alternate Statutory Auditors

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings, and having taken note of the report of the Board of Directors for the General Meeting,

resolves to amend Article 30 of the Memorandum and Articles of Association, which will read as follows:

"The General Meeting appoints two principal Statutory Auditors and, where so required by legislation and regulation, two alternate Statutory Auditors to fulfil the duties required of Statutory Auditors by law and under these Memorandum and Articles of Association.

The Statutory Auditors shall be appointed for six financial years. They may be reappointed.

The principal Statutory Auditors shall be invited to the meeting at which the Board of Directors approves the financial statements for the previous financial year, and to all shareholders' meetings.

The principal Statutory Auditors are entitled to remuneration set in accordance with applicable regulations."

and grants full powers to the Board of Directors, with the power to sub-delegate to any person authorised pursuant to the applicable laws and regulations, to amend the Memorandum and Articles of Association and carry out all resulting steps and formalities.

7.2.2.5. Seventeenth resolution: powers to carry out formalities

Explanation

The purpose of the seventeenth resolution is to grant holders of the original, copies or extracts of the minutes of the General Meeting the necessary powers to carry out standard public notice and filing formalities.

The Board of Directors invites shareholders to approve this resolution.

Seventeenth resolution – Powers to carry out formalities

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings,

and having taken note of the report of the Board of Directors for the General Meeting,

grants full powers to holders of the original, copies or extracts of the minutes of this General Meeting to carry out all public notice, filing and other formalities required under applicable laws and regulations.

7.3. Reports by the Statutory Auditors on the resolutions

7.3.1. REPORT BY THE STATUTORY AUDITORS ON THE CAPITAL REDUCTION (THIRTEENTH RESOLUTION)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

PricewaterhouseCoopers Audit

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

Mazars

Tour Exaltis – 61 rue Henri Regnault
92400 Courbevoie
France

To the Shareholders,

In our capacity as Statutory Auditors of your Company, and in performance of our duties pursuant to Article L. 22-10-62 of the French Commercial Code (Code de commerce) in the event of a reduction in the share capital through the cancellation of shares previously repurchased, we hereby report on our assessment of the causes, terms and conditions of the proposed reduction in capital.

Your Board of Directors proposes that you grant it full powers, for an 18-month period as from the date of this General Meeting, to cancel shares corresponding to a maximum of 10% of the capital per 24-month period that have been purchased as a result of the implementation of an authorisation to purchase Company shares within the framework of the aforementioned article.

We followed the procedures that we considered necessary to comply with professional guidance given by the national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) relating to this type of assignment. These procedures consist of verifying that the causes, terms and conditions of the proposed capital reduction are fair and are not likely to adversely affect equality between the shareholders.

We do not have any observations with regard to the causes, terms and conditions of the proposed capital reduction.

Neuilly-sur-Seine and Courbevoie, 28 April 2022

The Statutory Auditors,

PricewaterhouseCoopers Audit

Jérôme Mouazan

Mazars

Daniel Escudeiro

7.3.2. REPORT BY THE STATUTORY AUDITORS ON THE ISSUE OF REDEEMABLE SHARE SUBSCRIPTION AND/OR PURCHASE WARRANTS ('BSAAR WARRANTS') GIVING ACCESS TO THE COMPANY'S CAPITAL RESERVED FOR EMPLOYEES AND EXECUTIVE CORPORATE OFFICERS OF THE COMPANY AND OF ITS SUBSIDIARIES (FOURTEENTH RESOLUTION)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Pricewaterhouse Coopers Audit

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

Mazars

Tour Exaltis – 61 rue Henri Regnault
92400 Courbevoie
France

To the Shareholders,

In our capacity as Statutory Auditors of your Company, and in performance of our duties pursuant to Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code (*Code de commerce*), we hereby report to you on the proposal to delegate authority to the Board of Directors to decide on an issue of redeemable share subscription and/or purchase warrants ('BSAAR warrants') giving access to the Company's capital with the waiver of preferential subscription rights, reserved for employees and executive corporate officers of the Company and of its subsidiaries, involving up to 3.5% of the capital on the date the decision to issue is made, on which you are asked to vote.

On the basis of its report, your Board of Directors proposes that you authorise it for an 18-month period to decide on an issue and to waive your preferential right to subscribe for the equity securities to be issued. Where applicable, it will determine the final terms and conditions of any such issue.

The Board of Directors is responsible for drawing up a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. We are required to express an opinion on the accuracy of the figures based on the financial statements, on the proposed waiver of preferential subscription rights and on certain other information relating to the issue that is presented in this report.

We followed the procedures that we considered necessary to comply with professional guidance given by the national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) relating to this type of assignment. These procedures consisted in verifying the content of the report by the Board of Directors on this transaction and the methods used to calculate the issue price of the equity securities to be issued.

Subject to our review at a later date of the terms and conditions of the issue that may be decided, we do not have any comments with regard to the methods used to calculate the issue price of the equity securities to be issued, as presented in the report by the Board of Directors.

As the final terms and conditions of the issue have not been determined, we are not able to comment on them or, as a result, on the proposal to waive the preferential subscription rights.

As required by Article R. 225-116 of the French Commercial Code, we will prepare an additional report, if need be, when the delegation is used by your Board of Directors.

Neuilly-sur-Seine and Courbevoie, 28 April 2022

The Statutory Auditors,

Pricewaterhouse Coopers Audit

Jérôme Mouazan

Mazars

Daniel Escudeiro

7.3.3. REPORT BY THE STATUTORY AUDITORS ON THE ISSUE OF ORDINARY SHARES AND/OR SECURITIES GIVING ACCESS TO THE COMPANY'S CAPITAL RESERVED FOR MEMBERS OF COMPANY OR GROUP SAVINGS PLANS (FIFTEENTH RESOLUTION)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Pricewaterhouse Coopers Audit

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

Mazars

Tour Exaltis – 61 rue Henri Regnault
92400 Courbevoie
France

To the Shareholders,

In our capacity as Statutory Auditors of your Company, and in performance of our duties pursuant to Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code (Code de commerce), we hereby report to you on the proposal to delegate authority to the Board of Directors to decide on an issue of ordinary shares and/or securities giving access to the Company's capital with the waiver of preferential subscription rights, reserved for members of a company savings plan or group savings plan, involving up to 1.5% of your Company's capital on the date the decision to issue is made, on which you are asked to vote.

You are asked to approve this issue, as required by Articles L. 225-129-6 of the French Commercial Code and L. 3332-18 *et seq.* of the French Labour Code.

On the basis of its report, your Board of Directors proposes that you authorise it for a 26-month period to decide on an issue and to waive your preferential right to subscribe for the equity securities to be issued. Where applicable, it will determine the final terms and conditions of any such issue.

The Board of Directors is responsible for drawing up a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. We are required to express an opinion on the accuracy of the figures based on the financial statements, on the proposed waiver of preferential subscription rights and on certain other information relating to the issue that is presented in this report.

We followed the procedures that we considered necessary to comply with professional guidance given by the national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) relating to this type of assignment. These procedures consisted in verifying the content of the report by the Board of Directors on this transaction and the methods used to calculate the issue price of the equity securities to be issued.

Subject to our review at a later date of the terms and conditions of the issue that may be decided, we do not have any comments with regard to the methods used to calculate the issue price of the equity securities to be issued, as presented in the report by the Board of Directors.

As the final terms and conditions of the issue have not been determined, we are not able to comment on them or, as a result, on the proposal to waive the preferential subscription rights.

As required by Article R. 225-116 of the French Commercial Code, we will prepare an additional report, if need be, when the delegation is used by your Board of Directors.

Neuilly-sur-Seine and Courbevoie, 28 April 2022

The Statutory Auditors,

Pricewaterhouse Coopers Audit

Jérôme Mouazan

Mazars

Daniel Escudeiro

APPENDICES

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8.1. Persons responsible for auditing the financial statements

8.1.1. THE COMPANY'S STATUTORY AUDITORS

	Date of first appointment	Start date of current term of office	Current term of office	Expiry of current term of office ¹
PRINCIPAL STATUTORY AUDITORS				
PricewaterhouseCoopers Audit Statutory Auditor Member of the Versailles Regional Company of Statutory Auditors Represented by Jérôme Mouazan 63 rue de Villiers 92208 Neuilly-sur-Seine Cedex	18/05/2010	24/05/2016	6 financial years	GM 2022
Mazars Statutory Auditor Member of the Versailles Regional Company of Statutory Auditors Représenté par Daniel Escudeiro Tour Exaltis 61 rue Henri Regnault 92400 Courbevoie	27/05/2004	24/05/2016	6 financial years	GM 2022
ALTERNATE STATUTORY AUDITORS				
Jean-Baptiste Deschryver c/o PricewaterhouseCoopers Audit	18/05/2010	24/05/2016	6 financial years	GM 2022
Simon Beillevaire c/o Mazars	18/05/2010	24/05/2016	6 financial years	GM 2022

¹ Yr of GM: term of office will expire at the end of the General Meeting to be held in this year to approve the financial statements for the previous financial year

8.1.2. FEES PAID BY THE COMPANY TO THE STATUTORY AUDITORS AND MEMBERS OF THEIR NETWORKS

See additional information in Note 42 to the 2021 consolidated financial statements on pages 219 *et seq.* of Chapter 4 of this Universal Registration Document.

8.2. Financial information included for reference purposes

Pursuant to Articles 9 (6.) and 19 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, the following information is included by reference in this Universal Registration Document:

- The consolidated financial statements for the 2020 financial year and the corresponding report of the Statutory Auditors on pages 158 to 214 of the 2020 Universal Registration Document, filed with the AMF on 30 April 2021 under number D.21-0406 together with the information drawn from the 2020 management report included on pages 144 to 145 of the 2020 Universal Registration Document, as well as the company financial statements for the 2020 financial year and the corresponding report of the Statutory Auditors included on pages 216 to 245 of the 2020 Universal Registration Document;
- The consolidated financial statements for the 2019 financial year and the corresponding report of the Statutory Auditors on pages 152 to 210 of the 2019 Universal Registration Document, filed with the AMF on 30 April 2020 under number D.20-0417 together with the information drawn from the 2019 management report included on pages 138 to 150 of the 2019 Universal Registration Document, as well as the company financial statements for the 2019 financial year and the corresponding report of the Statutory Auditors included on pages 212 to 243 of the 2019 Universal Registration Document.

8.3. Person responsible for the Universal Registration Document and for the Annual Financial Report

Frédéric Moyne

Chairman and Chief Executive Officer

8.4. Declaration by the person responsible for the Universal Registration Document and for the Annual Financial Report

I declare that the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I declare that, to the best of my knowledge, the financial statements have been drawn up in accordance with applicable accounting standards and give a true and fair view of the assets, financial position and profit and loss of the Company and of all consolidated companies, and that the management report comprising the items detailed in the cross-reference table included in Section 8.6.4 of this Universal Registration Document, fairly reflects the business developments, profit and loss and financial position of the Company and of all consolidated companies while presenting the main risks and uncertainties they face.

Paris la Défense, 29 april 2022.

Frédéric Moyne

Chairman and Chief Executive Officer

8.5. Person responsible for the financial information

Frédéric Moyne

Chairman and Chief Executive Officer

8.6. Cross-reference tables

8.6.1. UNIVERSAL REGISTRATION DOCUMENT CROSS-REFERENCE TABLE

The following theme-based table allows the reader to locate within this Universal Registration Document the main items of information required by Annexes 1 and 2 of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019.

Headings of Annexes 1 and 2 of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019		Pages in the 2021 Universal Registration Document
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1.3.	Expert statement or report	n/a
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2.	Statutory Auditors	
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The following theme-based table allows the reader to locate within the Universal Registration Document the main items of information comprising the Annual Financial Report, required pursuant to Article L. 451-1-2 of the French Monetary and Financial Code, and the information, included in this Universal Registration Document, referred to in Article 222-3 of the AMF's General Regulation.

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The table below makes it possible to cross-reference the information on corporate officer remuneration in this Universal Registration Document with the presentation recommended by the AMF in Position-Recommendation no. 2021-02 of 8 January 2021, most recently amended on 5 January 2022.

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The following theme-based table allows the reader to locate within this Universal Registration Document the main items comprising the management report required in particular pursuant to Articles L. 225-100 *et seq.*, L. 22-10-34 *et seq.*, L. 232-1 and R. 225-102 *et seq.* of the French Commercial Code.

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